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THE WAGE-EARNER IN THE WESTWARD MOVEMENT I

The Statement of the Problem

THE present study was suggested by what seems to be either a gap or a discrepancy in the account of American development given by the historians of the frontier school. Frederick Jackson Turner and his followers based part of their thesis on the participation of the eastern wage-earner in the westward movement. The discontented mill worker, it was said, could if he wished go west and become an independent farmer; frequently he did so, and the result was to raise the wages of his fellows who remained and to delay the development of a coherent labor movement. In the theory, then, wage-earners took a significant part in the movement to the western lands. Yet in the descriptions of the actual process of settlement, even in those written by the same authors, the migrants are almost never identified as wage-earners, though there are frequent references to the presence of farmers from farther east and of immigrants from across the seas. If there was a substantial movement of wage-earners, its story remains to be told; and if there was not, the theory stands in need of correction.

There is no lack of clarity in the thesis itself. Its essential elements were all stated by Turner in a memorable passage in his original paper on "The Significance of the Frontier":

> Most important of all has been the fact that an area of free land has continually lain on the western border of the settled area of the United States. Whenever social conditions tended to crystallize in the East, whenever capital tended to press upon

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> labor or political restraints to impede the freedom of the mass, there was this gate of escape to the free conditions of the frontier. These free lands promoted individualism, economic equality, freedom to rise, democracy. Men would not accept inferior wages and a permanent position of social subordination when this promised land of freedom and equality was theirs for the taking. Who would rest content under oppressive legislative conditions when with a slight effort he might reach a land wherein to become a co-worker in the building of free cities and free states on the lines of his own ideal? In a word, then, free lands meant free opportunities. Their existence has differentiated the American democracy from the democracies which have preceded it, because ever, as democracy in the East took the form of highly specialized and complicated industrial society, in the West it kept in touch with primitive conditions, and by action and reaction these two forces have shaped our history.[1]

A movement of workers to the West thus forms one of the premises on which the major interpretation rests. It is true that certain followers of Turner have suggested that this may have been meant in only a symbolic sense, that the West represented opportunity and that its influence would have been significant even if the movement of eastern laborers to the West had been only a potential and not an actual one. It need not be denied that many of the consequences claimed for it might have resulted from the fact that the western lands drew off the surplus farm population that might otherwise have gone into the industrial labor market. But it may be confidently denied that this is all that Turner meant. Some passages, to be sure, might bear that interpretation. For example, when Turner discusses de Toqueville's fears that inequality would increase, he points out that "the sanative influence of the free spaces of the West was destined to ameliorate labor's condition, to afford new hopes and new faith to pioneer democracy, and to postpone the problem" of the conflict between labor and capital.[2] In this case it might be possible to believe that the

[1] F. J. Turner, *The Frontier in American History* (New York, 1920), pp. 259-260.

[2] *Ibid.*, p. 275.

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"sanative influence" was indirect or symbolic. It would be very hard to do so, however, in other passages referring to "eastern fears that cheap lands in abundance would depopulate the Atlantic states",[3] and "drain the labor supply from growing industrial towns and thus raise wages";[4] and it would be quite impossible to think that this was what was meant by the statement in the first quotation that "men would not accept inferior wages and a permanent position of social subordination" when the frontier lay open, or by the reference to the "slight effort" by which a man might reach the new land. When Turner referred to "the undeveloped West" as "a safety valve" for industrial discontent,[5] there is no doubt that he spoke in concrete terms and had in mind an actual movement of wage-earners.

It seems clear, also, that it is in this sense that the thesis has been accepted by most of his many followers. This is certainly true of the man who carries on Turner's work most directly. Professor Frederic Paxson notes many of the difficulties which might have prevented migration, but the following passage leaves no doubt of his belief that wage-earners actually moved to the frontier:

> The frontier while it lasted was a social safety valve that prevented the rise of social pressure or class antagonism to the danger point. Not only upon the western margin of the United States, but in every State farm land was either free or cheap. The abundance of land invited each generation to enlarge the area of settlement and erect new homes. There was no chance for the socially discontented to become numerous or ominous. No oppressed lower class could be created in a community in which any young man with reasonable nerve and luck might hope to be an independent farmer before he was thirty.[6]

It was to be expected that historians of the American labor movement would also be interested in this concept. If true, it

[3] *Ibid.*, p. 191.

[4] F. J. Turner, *Sections in American History*, pp. 24-25.

[5] *Ibid.*, p. 46.

[6] Frederic L. Paxson, *Recent History of the United States* (rev. ed., Cambridge, 1928), pp. 157-158.

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would go far toward explaining the character and difficulties of early American organization. Turner himself had pointed out that "as the free land disappeared and as immigration came, the labor movement grew in volume and in the extent of its demands." Many others have noted the fact that the tumultuous rise of the Knights of Labor and the organization of permanent and stable trade unionism did not occur until the decade which Turner describes as that of the closing of the frontier.

In a well-known passage, Professor John R. Commons has made this theory a major element in the explanation of the development of American labor:

> The condition which seems to distinguish most clearly the history of labour in America from its history in other countries is the wide expanse of free land. As long as the poor and industrious can escape from the conditions which render them subject to other classes, so long do they refrain from that aggression on the property rights or political power of others, which is the symptom of a "labour movement."

He goes on to contrast the American situation with that of the Australian. "In Australia the land has been locked up in great holdings and labourers have been forced to fight the battles of organization in the cities and on the ranches rather than escape as individuals to lands that are free."[7] Australia had no safety valve to save it from the explosions of class conflict, and it was therefore not the American labor movement but the Australian that turned to socialism.

A distinguished foreign scholar, Werner Sombart, had already used the same argument as one of the reasons why European socialism had found no foothold in the United States:

> In the third place, the American worker was deterred from a specifically anti-capitalist policy by the fact that he was not forced into the position of a proletarian. There was so much land to be had that he was able to become an independent farmer. Whenever a period of depression set in, the "reserve army of

[7] John R. Commons and Associates, *History of Labour in the United States* (New York, 1926), vol. I, p. 4.

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> industry" moved to the West, where there was room for them and to spare. This departure eased the labor market and kept wages high. . . .[8]

The point has come down from author to author, and it has been applied several times within the past year. Thus one of the most striking of General Hugh Johnson's speeches might be described as a version in colors of Sombart's picture of the reserve army moving westward in a depression; and *Rebel America,* published in 1934, makes use of the same doctrine to account for the delay in the formation of an aggressive labor movement:

> The final triumph of homesteadism was more than a questionable victory,—even from the westerners' point of view, as they were to discover in the seventies. George Henry Evans, speaking for the eastern agrarians, hailed it with enthusiasm as a practical realization of his doctrine of natural rights; but from the viewpoint of a later generation of labor radicals, it was less beneficent. The frontier that it opened tended to deplete the labor movement of its most aggressive elements and to create a new army of small independent land owners. It helped to postpone labor's coming to grips with American industrialism until the industrialism had so consolidated its position as to be almost impregnable.[9]

The wage-earner's participation in the westward movement thus appears to be a matter of accepted doctrine, both in scholarly and popular writing. Certainly no such array of citations could be brought forward on the other side. Denials of its validity must be sought in more obscure sources, such as Leon Samson's *Toward a United Front.* Mr. Samson makes the vigorous declaration that "the safety-valve theory is refuted by the simple fact . . . that workingmen did not go West, or to be more exact, that those who went West were for the most part not workingmen;" but his attempt to cite the

[8] Werner Sombart, *Socialism and the Social Movement* (London, 1909), pp. 277-278.

[9] Lillian Symes and Travers Clement, *Rebel America* (New York, 1934), p. 85.

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opinions of well-known scholars in support of his contention is only partially successful.[10]

The real doubts of the soundness of the doctrine arise not from anything that has been said against it, but from the sheer absence of direct evidence in its support. The suspicious thing is that wage-earners are so rarely mentioned in the descriptions of actual settlement, and it was apparently this negative consideration that led Professor Benjamin H. Hibbard, who had

[10] Leon Samson, *Toward a United Front* (New York, 1933), footnote to p. 6. The author contents himself by quoting what other scholars have said concerning the westward movement instead of himself examining and presenting concrete evidence. Unfortunately, Mr. Samson was neither careful nor thorough enough in his research or he would have found that some of the people he quotes could have been quoted as accepting the "Safety-Valve" doctrine. In some cases, Mr. Samson has definitely misinterpreted the author's meaning. Thus Samson quotes from Edward G. Kirkland (*A History of American Economic Life*, p. 154) the one sentence:—"The westward migration was an agricultural migration,"—when the remainder of the paragraph makes it clear that the reference was solely to the occupations of the settlers in the new states. What Kirkland says is that the migrants were farmers after they went west, but Samson cites him to show that they were farmers before they went. Again, the two sentences quoted from Benjamin H. Hibbard (*A History of the Public Land Policies*, p. 557) are part of a paragraph in which Hibbard was explaining (and accepting) the "Safety-Valve" doctrine, or as he called it, "The Balance Wheel".

Samson quotes Arthur M. Schlesinger (*Social and Political History of the United States 1829-1925*, p. 8) in order to disprove the "Safety-Valve" doctrine:—"Individuals might escape the hardships of their class by moving to the frontier; but most of the wage-earners were discouraged from taking this step by large families, poverty, or lack of ambition." But Schlesinger shows his acceptance of the operation of the "Safety Valve" on page 278 of the same volume: "The steady dwindling of the open frontier from the Civil War to about 1890 meant the disappearance of a social force that had been potent in American history since earliest times. The poor man of pluck and ambition, as well as the social misfit, had always been able to escape oppressive conditions in the older parts of the country by going west and making a 'new start.' In this way the frontier had served succeeding generations as a source of economic rejuvenation and a cradle of robust Americanism. Furthermore, by drawing off the restless and dissatisfied spirits from the congested Eastern centers into a land of abundant opportunity, it had acted as a safety-valve of social discontent."

See also Schlesinger, *New Viewpoints in American History*, pp. 18-19, 44, 95, 109, 246, for his acceptance of the "Safety-Valve" theory. The same contradictions can be found in other authors whom Samson quotes. These contradictions are signs of the confusion and lack of knowledge of the basic facts behind the "Safety-Valve" theory.

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previously written of "cheap or free land" as "the outlet for the energy and discontent of the East",[11] to declare in the *Encyclopedia of the Social Sciences* that: "There is good evidence that the movement of dissatisfied Eastern laborers to western lands was small."[12]

There is at least doubt enough to justify a re-examination of the thesis on the basis of contemporary sources, and it is to that that the present study is devoted. Such an examination yields two kinds of materials. It discloses an abundance of contemporary generalizations on the significance of the alleged movement of wage-earners, and it discovers also—though with greater difficulty—scattered indications of the presence or absence of wage-earners among particular groups of migrants and settlers. The attempt to piece together these shreds of evidence into an estimate of the amount and a description of the nature of working-class migration will be deferred to later issues of THE POLITICAL SCIENCE QUARTERLY; the present article is devoted to the place of the "safety-valve doctrine" in the thought of the pioneering periods.

The History of the Safety-Valve Doctrine

The first discovery in any examination of contemporary opinions of the westward movement is that of the antiquity and ubiquity of the idea of the escape from wage-earning. If it is a part of the "Turner thesis", it certainly did not originate with Turner, as indeed he himself was the first to point out. Its history is the more impressive since it is found in all periods of American pioneering and in the mouths of spokesmen for conflicting interests as well as of more objective observers here and abroad. Men of the seventeenth century as well as of the nineteenth, and men who dreaded the loss of labor supply as well as those who rejoiced in the liberation of the wage-earners, were equally sure that these results would follow or were following from the opening of the western lands.

It is in 1634 that Turner finds what is perhaps the first emergence of the doctrine in American political discussion. The

[11] B. H. Hibbard, *A History of the Public Land Policies* (New York, 1925), p. 140.

[12] Vol. VIII, p. 438, article on "Homestead".

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young colony of Massachusetts Bay was already torn by disputes over the division of the land; and Governor Winthrop explained that the holdings of the poorer colonists had been limited in size "partly" for the definite purpose of preventing "the neglect of the trades". "This", said Turner, "is a pregnant idea; it underlay much of the later opposition of New England as a manufacturing section to the free homestead policy. . . . The migration of labor to free lands meant that higher wages must be paid to those who remained."[13] He finds similar "Eastern fears" expressed during the Constitutional Convention, "in the first debates on the public lands",[14] and throughout the long history of the controversy over their disposition. "Cheap lands in the West would . . . prevent effective control of the discontented; would drain the labor supply away from the growing industrial towns, and thus raise wages."[15] Turner's pages show also that those whose feelings and interests lay on the other side, who applauded wage increases and rejoiced in the independence of the common man, were no less certain that the same effects would follow from easy access to the land. Thus Albert Gallatin in 1795 attributed the "happiness" of the country very largely to the fact that "the poor man" had "been able always to attain his portion of land";[16] and in the following year another member of Congress opposed a bill limiting the area offered for sale on the ground that its passage would be "tantamount to saying that there is some class which must remain here, and by law be obliged to serve the others for such wages as they please to give."[17] The same doctrine, Turner points out, was an essential part of the platform of the Locofocos whom he describes as "the first Americans to demand fundamental social changes for the benefit of the workers in the cities." Their "constructive policy" was to "keep society democratic by free

[13] Turner, *The Frontier in American History*, p. 62.

[14] *Ibid.*, p. 191.

[15] Turner, *Sections in American History*, pp. 24-25.

[16] *Annals of Congress*, 4th Congress, 1st Session, p. 411. Quoted in part by Turner, *The Frontier in American History*, p. 191.

[17] Turner, *idem*, p. 191.

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gifts of the public land, so that surplus labor might not bid against itself, but might find an outlet in the West." [18]

Both applications of the doctrine persisted throughout the pioneering period. Enthusiastic proposals for encouraging the westward movement, which were to reach their fullest development with George Henry Evans and Horace Greeley, were matched by bitter opposition based upon a belief in the same common premise. In the Congressional debates on the series of homestead bills, much of the opposition of the Northeast was summarized in the argument that manufactures as well as eastern agriculture would "suffer . . . by an abstraction of labor from their respective pursuits." [19] "By your policy", declared a Pennsylvania Congressman in 1852, "you strike at our great manufacturing interest. . . . You render useless and valueless millions of capital which our people have invested in manufacture of iron." [20] In the same year, Congressman Sutherland of New York summed up the argument in a speech that, in spite of its oratorical heaviness, almost deserves quotation in full. A piling up of hypothetical clauses gives his view of the labor situation:

> . . . if we had a limited territory with a surplus population; if there was an abundance of labor instead of a scarcity; if laborers were here, waiting, looking for employment, instead of demanding its [sic] own terms; if the price of labor was not increasing, while the price of the products of labor are [sic] decreasing; if, in consequence of this high price of labor, "manufactures and other branches of industry" did not claim protection against foreign competition. . . .

It is within a parenthesis that he describes the bill as one "by which the Government, for the supposed benefit of the laborers and landless, does nothing more nor less than to offer a

[18] *Ibid.*, p. 303.

[19] J. L. Dawson of Pennsylvania, in House of Representatives, February 14, 1854. Congressman Dawson was a supporter of the homestead bill but is here paraphrasing the argument of his opponents. *Congressional Globe*, 33rd Congress, 1st Session, Appendix, p. 181.

[20] J. Allison, *Congressional Globe*, April 20, 1852, vol. XXV, 32nd Congress, 1st Session, pp. 432 *et seq.*, as quoted in Commons, *History of Labour in the United States*, vol. I, pp. 512-513.

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bonus to the laborers and landless to leave the manufactories, work-shops and farms in the old states, and settle in the public domain in the new states." But there is little circumlocution when he states the gist of the manufacturers' case:

> Look at the capital invested in agriculture . . . and in manufactures in the old states. Is not all dependent on the price of labor for its profit and loss? . . . My point is, that this "homestead bill" will take labor from the manufacturing states to the land states—from the manufactories of the East to the farms of the West—and thereby increase the cost of labor and the cost of manufacture.[21]

This particular note could not be sounded so clearly in the later debates, since the industrial East had come reluctantly to the support of homestead legislation as part of the greater contest between North and South; but it was in 1860 that Senator Michelson of Tennessee, drawing the opposite moral from the same premise, met Sutherland's argument most squarely:

> The great preventive in our country against the evil consequences of a crowded population to the interests of laboring men, has been found in the vast public domain which has been added to our original territorial possessions. It is in this point of view that the wisdom of those territorial acquisitions which we have made is most signally illustrated and demonstrated. The ready outlet they have constantly furnished for our growing and crowded population in the old states has proved a powerful protection to labor in its conflict with capital. If we could now imagine the conditions of things which would exist with our entire population confined and crowded together within the original limits of our Government, we could be able to appreciate the value of our acquisitions of territory and the successful operation of our system of land laws which give encouragement to settlement on the public lands.
>
> It cannot be assumed, however, that the outlet to labor furnished by our public lands has proved entirely effectual in preventing the evils to the interests of labor apprehended from too dense a population. Within a few weeks passed we have witnessed indications of dissatisfaction among laboring men and

[21] *Congressional Globe*, April 22, 1852, 32nd Congress, 1st Session, Appendix, pp. 729, 737.

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> women in some of the New England states, which shows that the competition for employment has reduced the wages of labor to a point at which it looks out for relief from the oppression of capital. . . . The measure before us . . . says to the laboring man in the crowded states, where competition for employment has reduced his wages to a scarcity subsistence, "Here, in the far West, is employment without ruinous competition, where all the fruits of your labor shall inure to the benefit of yourself and family." . . . Its direct tendency will be to diminish the competition for employment, by drawing off a portion of those seeking it, and thus benefiting those who remain behind.[22]

The same conflict was echoed on a more distant stage. Edward Gibbon Wakefield based his theory of "systematic colonization" largely on what he believed to be the horrible example of the United States. The trouble was that the ease of obtaining land made for a lack of "combinable labour", and he proposed to avoid this difficulty in Australia and New Zealand by selling the land at what he called a "sufficient price", which should be high enough to make sure that the laborer would have to work a number of years before buying it and which would also provide a fund to be used in encouraging further immigration.[23] *Das Kapital* answers Wakefield with a scathing condemnation of his attempt to create an exploitable labor supply, but Marx's argument is no less clearly based on the reality of the frontier outlet. He points out, to be sure, that it was less effective after the Civil War. For one thing, "the flood of immigration from Europe [threw] men on the American labor market more rapidly than the current of emigration from the eastern states to the western [could] carry them onward." Nevertheless it was still due to the land outlet that American wage workers were "not yet so dependent as in Europe."[24]

Two distinguished visitors to the United States displayed a somewhat similar pair of opinions. Harriet Martineau was

[22] *Congressional Globe*, 36th Congress, 1st Session, March 10, 1860, p. 1223.

[23] See E. G. Wakefield, *A Letter from Sydney and Other Writings* (London, 1929), especially Letter XLVI of the *Art of Colonization*, pp. 203-207, and pp. 17-18, 77.

[24] Karl Marx, *Capital* (London, 1930), vol. II, pp. 857-858.

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struck by the scarcity of labor and the high wages in the United States, and suggested that "it would be wise, if it were possible", to eliminate these evils by raising the price of land.[25] On the other hand, Michel Chevalier, in a notable passage, expressed the envy of a European regarding the existence of so admirable a safety valve:

> In Europe, work is often wanting for the hands; here, on the other side, hands are wanting for the work. While the Americans have the vast domains in the West, a common fund from which by industry each may draw for himself and by himself, an extreme fall of wages is not to be apprehended.
>
> In America as in Europe, competition among the handworkmen tends to reduce their wages; but the tendency is not increased in America, as in Europe, by the competition among the laborers, that is by an excess of hands wanting employment, for the West stands open as a refuge to all who are unemployed. In Europe, a coalition of workmen can only signify one of these two things: raise our wages or we shall die of hunger with our wives and children, which is an absurdity; or raise our wages, if you do not we shall take up arms, which is a civil war; in Europe there is no other possible construction to put upon it. But in America, on the contrary, such a coalition means raise our wages or we go West. Every coalition which does not amount to this in the minds of the associates is merely the whim of the moment, an affair of little importance. This is the reason why coalitions, which in Europe are often able to shake the firmest fabric, present no real danger to the public peace in this country, where authority is disarmed. This is the reason why European countries, burdened with an excess of population, need for their safety and welfare a West into which each may overflow after its own manner.[26]

Professional economists frequently made use of the same basic doctrine. As early as 1822, Matthew Carey, one of the first American writers on political economy and father of the more famous Henry, noted that the idea of workmen escaping to the soil had been "a sort of shibboleth from the establish-

[25] *Society in America* (New York, 1837), vol. II, p. 62.

[26] *Society, Manners and Politics in the United States* (Boston, 1839), pp. 143-144.

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ment of the government to the present hour." "Its use", he exclaimed, "is so general, we had almost said so universal." [27] But Carey himself was one of the few skeptics. He thought that the removal of industrial workers to the frontier would not raise wages but would only create an unsalable surplus of agricultural products. Moreover, he doubted the fitness of eastern wage-earners to do the work of the frontier. The real way to solve their problems, and Carey's main interest, was the protective tariff; only through its means could their wages be raised. This view of the land question, however, was by no means shared by all who agreed with Carey on the blessings of protection. Thus Calvin Colton, an associate of Horace Greeley's and the author of a tract on "The Tariff Triumphant",[28] wrote of the land as a permanent outlet for discontent. If we forget the date and change the tenses, we might almost assign the following to Turner himself:

> The time has never yet been in the history of the United States as an independent nation, when labor was not in this sense an *independent agent*—when it could not reject an unsatisfactory offer, and yet live. It is not pretended that labor has been able to dictate its own terms. That would be equally improper and unjust, as for the employer to do it. But it has always had an *alternative*. As a last resort the American laborer can at any time go to the back woods. His independence is never necessarily sacrificed.
>
> This wide, back-woods field for American labor is a security for its independence for ages to come, if not forever, which no European economist could ever appreciate. It was for want of this light that Malthus stumbled and all his followers stumbled after him, not excepting M'Culloch, who was doubtless influenced by the theory of Malthus. They have never been able to see how labor could be independent, and have planned their system on the assumption that it must forever remain the *agent of power,* and be satisfied with a mere subsistence.
>
> It is this independence, in connection with the means of supporting it, that has sustained the wages of American labor and

[27] Matthew Carey, *Address to the Philadelphia Society for the Promotion of National Industry* (Philadelphia, 1822), pp. 68-69.

[28] *The Junius Tracts,* X, "The Tariff Triumphant" (New York, 1844).

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kept them so far above the rates of wages in Europe and other foreign countries.[29]

A quotation from John Stuart Mill completes a triangle of opinions on the bearing of land and protection on wages. Mill was no less certain than Colton that "the boundless extent of the unoccupied land" [30] had raised the price of labor, but disagreed with both American writers on the effect of the tariff:

> It is of course true that the general level of wages of labour in America is above the English level, and if these high wages were the effect of Protection, I for one should never wish to see Protection abolished. But it is not because of Protection that wages in America are high, it is because there is an abundance of land for every labourer, and because every labourer is at liberty to acquire it.[31]

Thirty years after Colton, another American economist, Francis Bowen, again emphasized the independence of the American workman who could frequently "discharge" his employer [32] and again attributed this characteristic largely to the access to the land. "Almost every native American", he declared, "may be said to have the option of 'beginning life,' as it is called, with a little capital." He described the step between farm laborer and small farmer, like those between journeyman and master-mechanic and between clerk and small tradesman, as "a short one and easily taken." "If nothing better can be done, there is always the resource of moving to the West, and becoming a pioneer in the settlement of government land." Writing in the depressed seventies, moreover, Bowen offers a confident generalization regarding the timing of the movement. "The tide of emigration westward", he says, "always becomes fuller and stronger in periods of commercial depression." [33]

[29] Calvin Colton, *The Rights of Labor* (New York, 1846).

[30] John Stuart Mill, *Principles of Policital Economy*, Rutledge Edition, p. 242.

[31] Letter of John Stuart Mill "To the New York Liberal Club on being elected a corresponding member of that body", *Letters of John Stuart Mill*, edited by Hugh S. R. Elliott (London, 1919), vol. II, p. 299.

[32] Francis Bowen, *American Political Economy* (New York, 1877), pp. 110-111.

[33] *Ibid.*, pp. 177-178.

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Belief in the reality of the movement from the factory to the frontier was therefore common doctrine both here and abroad, and among economists as well as among politicians. It is natural, however, that it should have been still more fully exploited by the two most notable leaders in the American land reform movement—George Henry Evans and Horace Greeley. As editor of the *Working Man's Advocate* and as a member of the Workingmen's and later the Equal Rights Party, Evans was the most persistent advocate of the policies of land reform which found partial expression in the passage of the Homestead Act. At one point, he differed sharply from the opinions of a number of those already quoted. He did not believe that there was or could be any substantial movement of wage-earners to the frontier while the government still sold the land. Like the others he saw the surplus labor supply and the safety valve. But he also saw the price of land closing down the safety valve. This, together with "the expense of removal" and of starting operations, made the lands still "as inaccessible to the bulk of our surplus population as if they were in the hands of the speculators." "It needs be that the lands should be free, in order that the surplus labor may be absorbed." [34]

To this end he urged that the public lands should be opened freely to actual settlers and granted to them in inalienable homesteads. Through his paper, he conducted a "Vote Yourself a Farm" campaign. Through the Agrarian League and the National Reform Association, he attempted to get people to pledge themselves to vote only for those candidates who promised to help carry through the program.

> The only remedy for the workmen is for them to instruct their representatives in Congress to pass a law allowing every citizen of good character, who may wish it, his right to a portion of the Public Lands, free of expense, for cultivation. We have no doubt that enough would avail themselves of the privilege to prevent such a surplus of workmen in factories as would place the whole body (as now) at the mercy of factory owners.[35]

[34] *Working Man's Advocate*, March 16, 1844.

[35] *Ibid.*, March 2, 1833.

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The same purpose appears, under an interesting and significant title, in the call to a meeting of his National Reform Association:

THE SAFETY VALVE

There are Public Lands enough in the possession of the general government (leaving Oregon and Texas out of the question) to allow every family in the United States two hundred acres each, besides all the land now held in private property in the twenty-six States and Territories. Yet with the vast field of nature inviting Industry to its occupation, degraded men are begging employment of their fellow men, striking and turning out for better wages: and poor, ragged, dirty, half-naked, half-famished children are walking the streets of Republican cities, begging for bread.

All who desire a remedy for this state of things, are invited to attend a meeting of the National Reform Association at Dunn's Democratic Headquarters, corner of Grand and Elizabeth Streets, on Monday evening at half-past 7 o'clock.

By order of the last meeting,
CHARLES F. GORDON, Chairman [36]
ELLIS SMALLY, Sec.

Underlying all of Evans' thought was his hatred of great inequalities of wealth and his belief in the natural right of man to own land. These are shown very plainly in his editorial on "The Remedy for Hard Times".

The Universal cry is Hard Times! And why is it? Every late President's Message, not excepting the last, told us that our country was fruitful, that seasons were propitious, and that crops were abundant; that we were at peace with all the world, (except the poor, persecuted Indians); and that, in short, we were on the high road to prosperity; and yet the cry is "Hard Times!" And why is it, I again ask, that the people are suffering in the midst of abundance? Is it not that the abundance is in the possession of others than the producers of it? that they have labored for the emolument of the few? Look around you, on every hand, and see if it be not a rule, almost without exception, that they who do the least of useful labor enjoy the most of its products! And why this incongruity?

[36] *Ibid.*, April 27, 1844.

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That is the mystery that many are now turning their attention to, and I think is soon to be solved, not only in this but in other countries, to the entire satisfaction of those most interested in the solution.

My view of the cause of the present inequality and distress is well known to those who have perused the former numbers of this paper; but as each number will probably fall into many new hands, it will be necessary frequently to repeat them, with such additions and qualifications as further experience and reflections will suggest. In the year that has nearly elapsed since the publication of my last number, I have reflected much, read a little, and debated a good deal, publicly and privately, on the subject of the Equal Right to Land . . . it is the only rightful remedy for those evils of government whose effects are "Hard Times!" All men, if they have a right to live, have an equal right to the sustenance of nature, earth, air, light and water, which are necessary to support existence; an equal right to one as well as the other. Some governments have recognized the equal right to land, and many have not, ours among the number. The struggle is about to commence, however, the events of which shall determine whether this right shall be recognized, or whether our government shall degenerate to some aristocratical form; whether the many shall be dependent upon a few large land holders for the right to shelter and for the right to work without begging for it as a privilege, or whether every man shall have the right to labor for himself on his own premises, of which nothing but death can dispossess him. . . . This measure would benefit the whole laboring population at once, and by taking off the surplus of laborers would gradually improve their conditions. . . .[37]

Here Evans not only shows why every man is entitled to the land, but he makes sure that we see what the good result would be, i. e., the removal of the surplus labor supply from the labor market. He makes the latter point again, and even more emphatically:

. . . With millions of acres of fertile land within your territories, to the free use of which you have as good a right as you have to the water which you drink or to the air which you

[37] *The Radical* (in continuation of the *Working Man's Advocate*), No. 3, vol. II, Feb., 1843.

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breathe; for the land is as necessary to your free existence as the air and water; strange to say, many of you will toil incessantly for a scanty subsistence, and be thankful for the privilege of toiling, for those who claim title to your birthright. Others of you, after humiliating yourselves to beg employment, have been refused, and are perhaps at this moment necessarily deliberating whether you shall become the tenant of a poorhouse or a prison; whether you shall be considered dependent on public charity, or help yourselves without leave, to a portion of the superabundance of wealth which you have assisted to create! If this be a varnished picture, let the oppressed working tradesmen and other laboring legions throughout the country, the sempstresses of our cities, the children of our factories, the tenants of our prisons and poorhouses, tell the unvarnished truth. . . .

Why need there be any want of employment, until the country is overpopulated? . . .

If the people have free access to the land, the laborer would not be dependent on the employers, and would consequently rise to his proper rank in society, instead of being debased in proportion to his influence. He would receive the full value of his labor, because he would have the ready alternative of laboring for himself. . . .

We have spoken of a surplus laboring population. There may be those who have yet to learn that there is such a surplus, amounting on an average in our large cities at least to about one-third of every extensive mechanical branch. There is hardly a mechanic who is not aware of this surplus, and equally aware of its tendency to reduce wages to the starvation point, unless the obvious remedy is adopted.[38]

A still more famous land reformer used much the same arguments. Mentioning the name of Horace Greeley usually brings forth the response, "Go West, young man, go West!" The precise phrase does not seem to have been Greeley's,[39] but he would nevertheless have been very glad if he had known that it would be associated with him. He was undeniably the prophet of the West; perhaps today we might have called him

[38] *Working Man's Advocate*, March 16, 1844.

[39] Hoyt's *New Encyclopedia of Practical Quotations* (New York, 1927), p. 640, attributes it to John L. B. Soule, *Terre Haute* (Indiana) *Express*, 1851.

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its publicity agent. Through the columns of the *New York Tribune* and by constant lecturing, he kept directing the attention of the people to the public lands, and he was without question the most effective advocate of homestead legislation. Greeley was both a friend of labor and an advocate of the high tariff, and it was quite natural that he should combine the two thoughts in his idealization of the West. Hence his prescription for the improvement of the wage-earners' conditions:

> We know of but one way of keeping up and increasing wages, and that is by increasing the demand for and the productiveness of labor. With the Public Lands free to Actual Settlers, so as to draw off as many as possible to agriculture, and with an efficient Protective Tariff to secure stability, experience and diversification to our Manufacturers, we might look with confidence for an eager demand for labor of all kinds and a general increase in its rewards.[40]

He was very much impressed by the shortage of labor in the West and the surplus of labor in the cities:

> At this moment, we judge from enquiry and observation on a recent inland trip, there might be work found in the Agricultural districts of our Country for Half a Million sturdy, resolute men, and for nearly as many women. At the same time all our cities are crowded with surplus "hands," willing to work, yet doing nothing, because no work is offered them, but vainly seeking something to do. Yet in spite of all remonstrances, thousands rush from the country to the cities, while comparatively few scatter from the cities through the country. And at very short intervals we are made heartsick by the inquiry, "Can't you tell where I may find something to do?"[41]

In advocating the Homestead Bill, he made sure to point out how the wage-earners would benefit by making the Public Lands free to actual settlers:

> . . . Make the Public Lands free in quarter-sections to Actual Settlers and deny them to all others, and earth's landless millions will no longer be orphans and mendicants; they can

[40] *New York Tribune*, December 17, 1850.

[41] *Ibid.*, July 20, 1850.

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> work for the wealthy, relieved from the degrading terror of being turned adrift to starve. When employment fails or wages are inadequate, they may pack up and strike westward to enter upon the possession and culture of their own lands on the banks of the Wisconsin, the Des Moines or the Platte, which have been patiently awaiting their advent since creation. Strikes to stand still will be glaringly absurd when every citizen is offered the alternative to work for others or for himself, as to him shall seem most advantageous. The mechanic or laborer who works for another will do so only because he can thus secure a more liberal and satisfactory recompense than he could by working for himself.[42]

Here the concept of the safety valve is particularly definite, and in another passage Greeley makes still clearer his opposition to strikes. They will do no good; only Land Reform and Producers' Co-operation—for the moment he forgets the tariff—will help the workers:

> The Laboring class already knows that we have little faith in strikes or any form of combination to modify the action of the Hireling or Wages system. We believe that the vice to be eradicated is embodied in the system itself. . . . Of the [needed] better system we believe Land Reform and Labor Association are the chief elements. Land reform will open the unimproved and unappropriated soil of the Republic and eventually the world, to free settlement and cultivation in limited tracts by those who need it.[43]

So far there is great similarity between the attitudes of Evans and Greeley. Both were anxious to have the surplus workers of the cities go to the frontier; both were impressed with the difficulties under existing conditions; and both therefore advocated legislation to clear the way. After the passage of the Homestead Act, however, we see a change in the attitude of Greeley. It was no longer necessary for him to plead for Land Reform. The Homestead Act, in a good measure, provided it. To be sure, it did not provide the inalienability which Evans considered essential to its permanent value, and

[42] *Ibid.*, February 18, 1854.

[43] *Ibid.*, July 24, 1850.

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it certainly did not fulfill his dream of "Rural Republican Townships". Greeley, however, was reasonably satisfied. He turned his attention therefore to pleading with the city folk to "cease being hirelings", to escape from the city with its wages system and unemployment, and to take up the free lands that a bounteous nature and a bounteous government had placed at their feet.

> We cannot all live in cities, yet nearly all seem determined to do so. Millions of acres of choice land solicit cultivation; the Government gives them away; every able-bodied man may be a farmer and live on his own land if he will; yet hundreds of thousands reject this and rush into the cities, which are already crowded to excess; and here they stick and hang, looking for work where work cannot be, exhausting the scanty means of relatives and friends by borrowing and begging. All these complain—and most unreasonably—that they can find nothing to do.
>
> Understand, once for all, that there is always a surplus of labor in the City,—that Europe and America vie with each other in filling our streets with needy scramblers for employment—that, if you come here and get work, you must crowd out some one else as needy and not quite so helpful as yourself—and that, if you strike off into the broad, free West, and make yourself a farm from Uncle Sam's generous domain, you will crowd nobody, starve nobody, and that neither you nor your children need evermore beg for Something to Do.[44]

With these same sentiments, Greeley continued until death stopped him. Sometimes he was more eloquent, sometimes less. But always he expressed the same beliefs, the same warning, and frequently the same examples and phrases. Of course he idealized agricultural work, and he assured his readers that tilling the soil belonged in the highest order of occupations:

> The farmers of this country are generally hurried by their growing crops. The season thus far has been so rainy that planting ran far into June; weeding is now backward, and haying is upon us, with the harvesting of small grains pressing hard on their heels. Throughout the region north of the

[44] *Ibid.*, February 5, 1867.

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Potomac, the Ohio and the Missouri, the July and August of 1867 are likely to be as two busy months as our farmers ever saw. Some will be compelled to accept your help in default of better; others will suffer heavy loss for want of seasonable help of any kind. We estimate that One Million robust men, in addition to those now at work, might be employed by our farmers throughout these two months, with profit to all concerned. And yet the streets of our cities will continue to echo the very tread of tens of thousands, anxious, despairingly seeking "something to do." Many of them would gladly work for the merest pittance; but they want to be clerks, book-keepers, teachers, lawyers, etc., etc.—and these callings are already crowded to excess. There are some, but not many, mechanics and other workers "on strike;" there are a few mechanics eager to work at their respective trades, but they can find no employment. These, with many women who cannot find such work as suits them (if any), conspire to swell the ever-sounding solicitation for "Something to Do."

We are a shamefully mis-educated people. Some of us are educated out of usefulness into life-long dependence, unthrift, and misery. Many are educated to hate and shun farming labor as rude, coarse, repulsive, brutalizing. Many whimper that they are not "strong enough for farm work;" when their weakness is the natural consequence of herding in cities and sweltering in the mephite dens where the poor are lodged. Many plead that they know nothing of farm work—as though that were not the best possible reason for making its acquaintance forthwith. The result of all this is a loss of at least $50,000,000 on this year's crops for want of labor to till and harvest them thoroughly and seasonably; while those who might and should earn that sum will famish and shiver next winter for want of it. . . .[45]

As we see, Greeley took pains to contrast the unemployment situations in the country and in the cities. The western agricultural lands suffered from a want of labor. The Eastern cities had a surplus. Greeley never missed an opportunity to point out this fact. Logically, it led him to see the West as a land of opportunity.

[45] *Ibid.*, July 8, 1867.

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To many young men in this city and in the East, living by small wages, and to others seeking employment, we say go West. Nations have progressed westward for thousands of years till it has become natural, as with the vines and flowers, to follow the course of the sun. To attempt to hold back the mighty tide is to stand in the way of destiny; to go forward is to meet with opportunity, and to place one's self in harmony with nature. Of course, the young man asks whither he shall go and what he shall do. In Illinois, Iowa, Missouri, Kansas and Nebraska, wherever there is a thriving town surrounded by a northern population, the foundations of a city are laid. Go thither and help the town to grow, and you will certainly grow with it. If you have a profession, and if you are temperate, honest and industrious, you will have a hundred opportunities where you have one here. But there are no more chances for an unfaithful man there than here. For such, there are no chances anywhere; there are only dreams of chances. If you have a taste for farming, or horticulture, or both, for they should be combined, go West; get a few acres near a town, and the demand for your production will increase as fast as you can supply them. The market of any growing Western town of a few thousand inhabitants is better than the markets of Philadelphia, New York, or Boston. This is a secret worth knowing. No matter what you raise, it will sell. If a young man will plant, and take good care of an apple orchard of five acres, in ten years his wife need not want for silk dresses, nor his daughter for gold ear-rings. A cow will be a well-spring of pleasure; five cows will support the family. Of late, dairy productions have received a new value, and this value will increase, because the limit of production, in proportion to demand, has been reached. This is another secret. We would especially urge getting land. It is a sure investment. You cannot be discharged. You will be a proprietor, and likely enough will be summoned on the Grand Jury.[46]

"Don't miss this opportunity!" was the constant advice. Strikes cannot improve the situation, only migration to the West can help. The surplus labor supply in the cities must be gotten rid of. Only if this were done could the strikes themselves succeed. "If . . . ten thousand of our older journey-

[46] *Ibid.*, July 26, 1867.

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men . . . could be induced and enabled to migrate to the new States, where their labor is in quick demand, . . . the projected strikes might have a chance of success." [47] If this were not done, wages must certainly fall. "The prospect now is that labor in the cities must be cheaper henceforth, or there must be a vast migration to the interior and the West,—a great diversion of human effort from the workshops and the factories to the improvement and cultivation of the soil." [48]

The Unresolved Doubt

In view of the history of the safety-valve doctrine, it is easy to see how Turner and his followers gained their idea of its operation. But the strange thing is that the contemporary witnesses who have been cited talked rarely, if ever, in terms of concrete instances. Some of them spoke as if they were being hurt by the movement, and many as if the phenomenon were taking place before their eyes. Yet they never, or almost never, gave actual examples of wage-earners making their way to the frontier. Greeley made many trips west. He always wrote letters to the *Tribune* telling what he saw, and he was certainly journalist enough to appreciate the effectiveness of concrete illustrations. He spoke of the country, the people, their activities, their enjoyment of their new homes. Sometimes he fortified his articles with statistics of the growth of the western states. In one case, in the papers collected as *An Overland Journey,* he did mention meeting at Osawatomie, Kansas, an old friend who had been "an industrious mechanic" in New York City and had in two years made himself a prosperous farmer.[49] A prolonged search in the columns of the *Tribune* fails to reveal a single other example. It would be hard to find direct proof in Greeley's writings that this one man, who himself may have been artisan rather than wage-earner, did not represent the entire movement of eastern workers to the West! Nor has any writer since Greeley's time attempted to estimate, even approximately, the number of wage-earners who took up land on the frontier.

[47] *Ibid.*, March 28, 1867.

[48] *Ibid.*, December 24, 1867.

[49] *An Overland Journey* (New York, 1860), p. 64.

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It is this task which the present investigation has undertaken. The sources of evidence are scattered and of course far from complete. Even today there are no adequate statistics of internal migration in the United States,[50] and data are still scantier for the pioneering period. Certainly there can be no hope of anything approaching an exact estimate. But some indications can still be found. There are clues in what is omitted, as well as in what is included, in the standard descriptions of the westward movement. More direct evidence can be obtained from contemporary newspapers. The press of Boston, New York and certain of the industrial towns of New England will give some information as to what sort of people were leaving the East. The papers of the frontier communities and the collections of state and county historical societies will yield scattered indications of the sources from which settlers had come. Nor is it altogether too late to make guarded use in certain cases of the recollections of old residents. A subsequent article will attempt to build up from these and other materials something of an estimate of the volume of the working-class movement. The unexpectedly rich records of certain emigration societies will perhaps justify a third article on the significance of organized migration. The present paper, however, must end on a note of unresolved doubt.

If Turner was wrong in his doctrine of the safety valve, so also were a long line of contemporary observers. But if he and they were right, there must have been much more of a movement of wage-earners than has ever found adequate description. The question is a puzzling one, and it is the more worth exploring because of the great influence and the great significance of Turner's contribution to the interpretation of American history.[51]

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[50] See C. W. Thornthwaite and H. I. Slentz, *Internal Migration in the United States* (Philadelphia, 1934).

[51] The preparation of this article was made possible by a grant from the Columbia University Council for Research in the Social Sciences. The authors would be grateful for suggestions as to sources that would be of use in attempting to answer the questions raised in the final paragraphs. A second article will be published in a future issue of THE POLITICAL SCIENCE QUARTERLY.

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INCOME CLASSES AND THE ROOSEVELT VOTE IN 1932

THAT economics and politics are closely interrelated has been widely recognized and the relationship in various of its complexities has been much discussed in literature. On the more specific connection between income and votes, there is a certain amount of descriptive writing and a good deal of general opinion. Thus, for instance, the vote for the Populist Party a generation or so ago was recognized to have had a foundation in low incomes of the rural states.

In recent years this relationship between economics and votes has been the subject of more precise measurement. In 1916, Ogburn and Peterson [1] measured the agreement and disagreement between the votes in the richest and the poorest precincts in Portland, Oregon, on various legislative measures of the initiative and referendum. In 1926, Rice [2] studied the influence of business cycles on votes in New Jersey from 1877 to 1924. He concluded that there was a slight tendency for the votes to turn to the Republican party when business conditions were bad. Tibbitts [3] also studied, with a somewhat different method, the influence on the votes, for the party in power, of the depressions of 1884 and 1894, and found that while the congressmen in office during a depression tended to lose votes and seats, yet a large percentage were returned. Another study on the business cycle and government was made

[1] W. F. Ogburn and D. Peterson, "Political Thought of Social Classes", POLITICAL SCIENCE QUARTERLY, vol. XXXI, 1916, pp. 300-317.

[2] Stuart Rice, "Some Applications of Statistical Methods to Political Research", *Political Science Review*, May 1926.

Stuart Rice, "Time Series. Party Turnover in New Jersey, 1877-1924", *Quantitative Methods in Politics*, pp. 280-293, 1928.

[3] Clark Tibbitts, "Majority Votes and the Business Cycle" in the *American Journal of Sociology*, vol. XXXVI, Jan. 1931, pp. 596-608.

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by Ayres,[4] whose measurements of business fluctuations back to the beginning of the 19th century enabled him to show that business prosperity and business depressions were equally distributed between Democratic and Republican administrations. Gosnell[5] has studied the percentages voting and their reasons for not voting according to occupations and according to rents paid. He is now engaged in a statistical analysis of the presidential election of 1932 with reference to economic conditions and other factors.

I

It has been possible to extend further such inquiries into the effect of the economic factor on voting because of new data that have been collected. The best economic factor to study is, undoubtedly, income, but only in Australia has a census of incomes been made. It has been shown,[6] however, that family incomes are very closely correlated with amounts of rent paid for dwellings, and the U. S. Bureau of the Census has recently published for 1930 the average rents paid in cities and in counties, and also in certain divisions of the city of Chicago. The average values of homes not rented were also published and these can, of course, be changed into rental values. With this knowledge available an investigation was undertaken to learn to what extent communities with low rents and cheap houses, and hence with low incomes, voted for Roosevelt or for Hoover in the presidential election in 1932.

The first study was of the city of Chicago. There the average rents were published for very small areas called "Census Tracts", within the city. It was possible to combine certain census tracts in such a way that they were the same as a precinct, for which it was possible to obtain votes. There were 131 such precincts, or precinct combinations, for which the average rent[7] was known and also the percentage of the vote

[4] Leonard Ayres, *Business Bulletin of the Cleveland Trust Co.*, Oct. 1924.

[5] C. Merriam and H. Gosnell, *Non-Voting*, pp. 47-48; H. Gosnell, *Getting Out the Vote*, pp. 90-92; H. Gosnell, *Why Europe Votes*, pp. 171-172.

[6] W. F. Ogburn, "A Study of Rents in Various Cities", *Monthly Labor Review*, September 1919, pp. 1-22.

[7] Values of homes not rented were translated into rents by considering monthly rent as one and one-quarter per cent of the value.

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that was cast for Roosevelt. A correlation table could thus be made showing both the average rent and the per cent vote for Roosevelt for each of the 131 voting units in Chicago. A representation of this table is shown in the accompanying dot-chart. This chart shows clearly that the precincts with lower rents gave more votes for Roosevelt, and those with higher rents gave lower percentages of the vote for Roosevelt. The richer communities voted more for Hoover. The Negro precincts were omitted; they were low rent precincts that voted for the Republicans, no doubt for historical reasons. The coefficient of correlation is –.67. The equation of this relationship is $Y = 87.6–.47X$, where Y is measured in percentages of the vote in favor of Roosevelt and where X is the monthly rent. This equation shows, for instance, that precincts with an average rent of $30 a month gave 73 per cent of their votes on the average to Roosevelt. But, for precincts with $60 rents the average vote for Roosevelt was a good deal lower, 59 per cent. A $30 rise in rents lowered the Democratic percentage of the total vote by 14. It was not until the voters on the average were paying $80 a month rent, that Hoover received a majority of the votes. Such are the facts shown by this first inquiry in the city of Chicago.

By way of further interpretation, it may be noted that rents in general are around 15 per cent of the incomes of wage earners. One may say approximately, therefore, that if the income of a family is raised from say $2,000 a year to $4,000, the percentage which the Democratic vote is of the total is decreased by 10 or 12 per cent. A lowering of the income similarly increases the votes for the Democratic party. Such a lowering of income means a decrease from one precinct to another, and not a decline over time. A lowering of income over a period of time would be expected to increase the Democratic vote, but probably not by the rate quoted above. The study strongly suggests what is generally considered to be obvious, namely, that the loss of income due to the depression greatly increased the Democratic vote.

It should be remembered that an estimate of votes for a precinct with a given rent on the basis of the foregoing equation is

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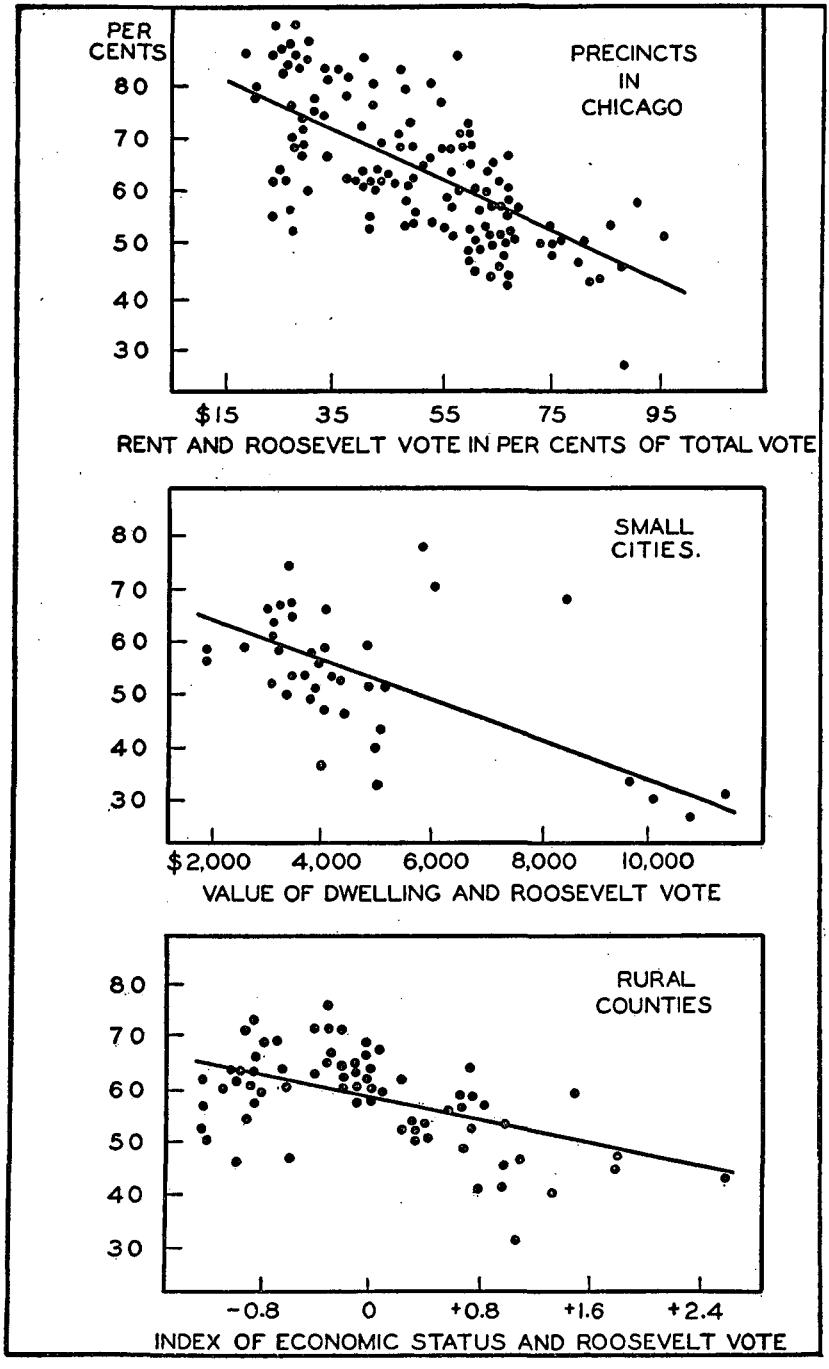

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only true for the average. The dot-chart shows for instance that of the various precincts with a $30 rent some gave as high as 88 per cent of their votes for Roosevelt, while others gave only 60 per cent, the average being about 73 per cent.

If the conditions of the election under discussion were to repeat themselves, which of course they will not, it would be possible to predict the vote for Roosevelt from the rent paid. Thus, communities with a rent of $30 should on the average yield 73 per cent vote for Roosevelt. Half the communities with such a rent should give between 78 and 68 per cent for Roosevelt.

The main conclusion from the study of the rents and the votes in these 131 units is that those with the lower rents gave Roosevelt the larger percentage of the votes, and that the relationship between low rents and the Roosevelt vote is high.

II

The conclusion that the poor voted more for Roosevelt and the rich more for Hoover, may be due to the fact that the poor may be more largely foreign-born, wet and Catholic. Then the low rents would signify not the poor, but the foreign-born, wet, Catholic vote. It was, therefore, desirable to investigate this relationship further by studying the votes of smaller cities where the immigrant vote was not such an important factor. It was possible to get the votes in the election of 1932 for 39 cities in Illinois between 10,000 and 100,000 in population. The average value of homes in each city was obtained from the 1930 census, as was also the average rent paid, from which the values could be estimated. The relationship between values and votes for these cities is shown in the accompanying dot-chart. It is clear from this chart that the cities with the cheaper homes gave larger percentages of their votes for Roosevelt. The coefficient of correlation is $-.60$, which is nearly as high as that found for the precincts in Chicago. The data for smaller cities corroborate the findings for Chicago. The following equation shows the relationship, $Y = 72-.0039X$, where Y is the per cent vote for Roosevelt and X is the value of the homes. With this equation the Roosevelt vote can be

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predicted from the average value of dwellings in a city. Half of the cities with homes of a given value will give a Democratic vote within 7 per cent of the predicted vote.

The conclusion of the study among the smaller cities of Illinois is that those with the cheaper dwellings gave Roosevelt the larger vote and those with the more expensive homes returned more votes for Hoover.

III

A study of the votes and incomes among the rural population would eliminate or reduce the influence of many factors which might complicate the relationship in cities, particularly variations in the religious and the anti-prohibition factors. Hence, a third check on this relationship was made by a study of the vote of the rural sections of 70 counties. The measurement here is a little more difficult than in the case of cities. The reason is that rents and values of homes are not given for the farms, but only for rural non-farm homes, which are usually in villages of less than 2,500 inhabitants. For the farm population, then, rent could not be used as an economic index. The total value of crops and live stock products could be used, however. When the values are divided by the farm population over 21 years for the county, the result is an economic index of the per capita income of the farmers, quite as valid as rent. For the rural population who were not farmers, the average rent, or estimated rent, was given by the census. The ranking of the farming sections of these counties in per capita value of farm crops was combined [8] with the ranking of the non-farming rural sections of these same counties in rents to give a single series showing the relative economic ranking of the rural sections of these 70 Illinois counties.

Once a single index of economic status was obtained for the rural sections of these counties the problem was then to learn how these rural sections voted. This was done by subtracting the city vote, i. e., in places of over 2,500 inhabitants, from the

[8] The two series were combined by adding their deviations from the mean divided by their respective standard deviations, each series being weighted by the number of homes in each group.

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total county vote, which left the votes of the rural sections. The relationship between the economic status of the rural sections of counties and the votes for Roosevelt is shown in the last dot-chart. This chart clearly shows that the rural counties with lower economic status gave higher percentages of their votes for Roosevelt. The coefficient of correlation is −.50.

IV

The investigation shows then, in all three types of population, that the low rent groups supported Roosevelt and the high rent groups supported Hoover. Of course, it is possible that there is some other interpretation, along the lines that low rent is simply a symbol standing for some other factor such as political party, prohibition, foreign birth, or religion.

It may be that the poorer groups are Democrats, and hence the low-rent vote for Roosevelt simply means the party vote. But if the low-renters and the Democrats are the same it seems more probable that the low rent makes them Democrats rather than that the Democrats make the low rent.

With regard to prohibition, it may be that the low-rent-payers are wet and thus vote Democratic, and the high-rent-payers are dry and Republican. Such a relationship might exist to a degree where the poor and the foreign-born (who are likely to be wet) are the same. In this case the low-renters might be supporting Roosevelt because he is wet rather than because he is a friend of the poor. But such a relationship would hardly hold in the city group, from 10,000 to 100,000 in inhabitants, or in the rural group, where the foreign-born are very few in number. That the rich are dry and the poor wet hardly seems true in these areas.

As to the religious issue, that was more of a force in the Smith-Hoover contest than in the Roosevelt-Hoover issue. But even if the Protestants voted for Hoover and the Catholics for Roosevelt, and if the Protestants were rich and the Catholics poor, the explanation would have validity chiefly in Chicago, but hardly in both the rural sections and in the small cities, where the Catholic membership is slight.

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In the correlations submitted, then, no other variables were held constant in the computations, but the fact that the correlations were nearly the same in three samples drawn from three different types of regions would seem, following the reasoning in the preceding paragraphs, to be a check on the other variables. We, therefore, conclude that the poorer communities voted more for Roosevelt and the richer ones more for Hoover, because of their economic status. This relationship may not have been true for the Southern states, or indeed, for communities other than those studied.

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THE DEVELOPMENT OF BRITISH TRADE WITH WEST AFRICA, 1750 TO 1850

THE history of England's commerce with West Africa between 1750 and 1850 well illustrates the major changes from the era of mercantilism to that of aggressive free trade. Complex non-economic factors affected the development: love of adventure, ardor for scientific discovery, abhorrence of the slave trade, missionary zeal and national rivalry, yet the interplay led finally to normal commercial relations with an area once monopolized by the slave dealers, and to solid foundations against the later days of imperialism in Africa.

West Africa was attracting much attention in 1750, for the older methods of conducting trade were being challenged. As the Royal African Company was in financial difficulties, a committee of the House of Commons debated the continuance of the annual grant for the upkeep of the scattered forts and settlements. It was agreed that the African trade was most advantageous, lucrative, an outlet for British manufactures, and necessary to that ideal of the mercantilists, commerce with the West Indies. The one problem of national policy was the form of management.

Opinion among the London and Bristol merchants was divided on the merits of regulated and joint-stock companies. The usual arguments were put forward: the greater enterprise of separate traders [1] *versus* the concentrated responsibility and continuous action of the joint-stock company, and its greater resources for exploration.[2] A modern note was struck by the

[1] C.O. 389/30. In the footnotes, these abbreviations are used for documents in the Public Record Office in London: Ad., Admiralty; B.T., Board of Trade; C.O., Colonial Office; F.O., Foreign Office; T., Treasury. Class number and volume follow.

[2] C.O. 391/57.

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Liverpool group, who advocated complete individualism, but their day was not yet come. The act resulting from the discussion was a compromise.[3] While any British subject might trade anywhere between Fort Sallee and the Cape of Good Hope, all those who were active south of Cape Blanco must form a body corporate, "The Company of Merchants trading to Africa", admission to which was open upon payment of a moderate fee. Joint-stock trading was forbidden, and any British subject might use the forts and buildings of the Company rent-free.

At once the number of slave-ships out of Liverpool increased from 53 in 1751 to 72 in 1753 and 149 in 1798.[4] They carried British goods, cloths, lead, shot, glass agates, etc.,[5] said to be worth £160,792 in 1749-50, £345,546 in 1760, £571,003 in 1770.[6] A few visionaries even then suggested that a trade entirely in goods might be still more profitable. Malachy Postlethwayt wrote as early as 1757:

> If we could so exert our commercial policy amongst these people, as to bring a few hundred thousands of them to cloath with our commodities, and to erect buildings to deck with our furniture, and to live something in the European way, would not such traffic prove far more lucrative than the slave-trade only, or the dealing with them only for those small quantities of gold, and other commodities which we do?[7]

Thomas Melvil, the new governor of Cape Coast Castle in 1751, saw the possibility of supplanting, in Africa, Indian textiles with those of Manchester and encouraged the natives to

[3] 23 Geo. II, c. 31.

[4] Richard Brooke, *Liverpool as It Was . . . 1775 to 1800* (Liverpool, 1853), p. 234.

[5] Correspondence between Robert Bostock . . . and others, giving Particulars of the Slave Trading of Liverpool Ships, 1789-1792. MS. in the Liverpool Central Library.

[6] Adam Anderson, *Historical . . . Deduction of Trade . . .* (London, 1787-89); vol. IV, pp. 40, 42, 142. Sir Charles Whitworth, *State of the Trade of Great Britain . . .* (London, 1776), Part II, pp. 1-2.

[7] Malachy Postlethwayt, *Britain's Commercial Interest . . .* (London, 1757), vol. II, p. 218.

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plant indigo and cotton for export.[8] This premature experiment was disapproved by the Board of Trade, who feared competition with the colonies.[9] They were better pleased with his treaty with the Fantees, excluding the French.[10] His expectations of intercourse after his reopening the paths into the inland country of the trading Ashantees proved over-sanguine, for most of the time of the British on the coast was spent in bargaining for slaves at the factories, intriguing against one another, fearing French aggression and fighting indigenous fevers.

The war of 1756 with France brought new opportunities. The Senegal and Gambia districts alone supplied the gum needed for the printing of cotton and linen goods, yet the French had monopolized the former region and disputed the latter with the English. In 1754, Thomas Cumming, a merchant of London, opened trade on a new part of the Gum Coast with some Moors, agents of tribes in the interior. He exchanged several shiploads of manufactures for gum Senegal, meanwhile gaining valuable knowledge of the coast. After war began, he suggested to the government a joint British-Moorish attack upon the French.[11] When discouraging delays took place, a curiously Elizabethan episode followed. Cumming sought the assistance of Samuel Touchet, prominent in the African Company, who agreed to fit out privately five small armed vessels. With Pitt's approval,[12] these sailed to join several ships of the navy,[13] and in a combined attack, with Cumming as guide, captured Fort Louis on May 1, 1758.[14] The capture of Goree,[15] off the coast, in December, assured British control of the region.

[8] C.O. 388/45.

[9] C.O. 391/59.

[10] C.O. 389/30.

[11] C.O. 388/50.

[12] Kate Hotblack, *Chatham's Colonial Policy* . . . (London, 1917), pp. 34-39.

[13] For the episode, see A. P. Wadsworth and J. de L. Mann, *The Cotton Trade and Industrial Lancashire, 1600-1780* (Manchester, 1931), pp. 245-47.

[14] *Annual Register*, 1758, vol. I, p. 75.

[15] John Lindsay, *A Voyage to the Coast of Africa, in 1758* . . . (London, 1759).

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Exaggerated expectations were aroused by reports of these successes. Postlethwayt again came forward to enlighten the public about "that part of the world affording neither products or manufactures to interfere with our own, but gives us the most estimable commodities in return, even for great quantities of our toys and baubles."[16] His imagination played with the boundless possibilities of direct supply of a market which was already reputed to absorb many hundreds of pieces of English broadcloth yearly by the costly caravan routes from the Barbary coast.[17]

With public interest aroused, Cumming's hope of an exclusive joint-stock company could hardly be realized. The Board of Trade reflected the spirit of the time in opposing a monopoly, and was supported by the opinion of the law officers of the crown that it would be illegal.[18] For the time being, the governor of Senegal was instructed to encourage all British traders alike, barring foreigners.[19] Agreements had already been made with seven tribes, fixing tariffs,[20] and the British merchants renewed the trade until, in December 1762, twenty ships were employed.[21] The loss of three expeditions into the interior limited interest to the coast.[22] At the Peace of Paris, Senegal was retained,[23] but Goree was restored to France, thanks to Governor Worge's opinion that it was useless.[24] The African Company, foreseeing dangerous extension of French influence from this convenient center, protested in vain. The ministers of the moment clung to the old idea of trading posts interspersed with those of other nations, and the oppor-

[16] Malachy Postlethwayt, *The Importance of the African Expedition* . . . (London, 1758), p. 49.

[17] *Ibid.*, pp. 90-91.

[18] C.O. 389/30, C.O. 388/50.

[19] C.O. 388/51.

[20] C.O. 388/48, C.O. 391/66.

[21] C. 388/50.

[22] C.O. 323/18.

[23] George Chalmers, *A Collection of Treaties* . . . (London, 1790), vol. I, p. 467.

[24] C.O. 323/18.

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tunity of making a contribution to Chatham's envisaged empire was lost.

The vesting of the Senegalese territory in the African Company in 1764 [25] brought the question of the Company's rule under discussion, and contradictory opinions were expressed. John Hippisley, for example, remarked upon the "astonishing increase of the Guinea traders demands for Woolens, and the manufactures of Manchester and Birmingham; with the prodigious exportation to that country of corn spirits from England. . . ." [26] Others insisted that business had greatly decreased.[27] Charges were made that the roads to the interior had been stopped for years by lack of British protection to natives wishing to come down to trade, and officials of the Company were accused of using their influence and the resources of the Company for their private advantage as traders.[28] It was also said that the Company was dominated by a clique of twelve men.[29] The Committee both defended their servants [30] and reminded them of their responsibility to private traders,[31] an ineffective gesture, to judge from later complaints.

The investigation convinced the government of the feebleness of a loosely organized English commercial company opposing the great state of France.[32] They now tried the innovation, for Africa, of using a colonial government to further British economic interests, by erecting the Province of Senegambia, subject directly to the crown.[33] The governor and his council of nine were royal appointees, but all British merchants and factors, trading to the value of more than £150, might vote in an open council. At last, legal authority was granted to keep the peace, by the first appointment of justices and con-

[25] House of Commons, *Journal*, 1764, vol. XXIX, p. 967.

[26] John Hippisley, *Essays* . . . (London, 1764), pp. iii, iv.

[27] T. 70/69.

[28] *Considerations on the present Peace* . . . (London, 1763), pp. 25, 27, 43, 48.

[29] *Ibid.*, p. 59.

[30] C.O. 388/51.

[31] T. 70/69.

[32] C.O. 389/31.

[33] House of Commons, *Journal*, 1765, vol. XXX, p. 249.

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stables. The new arrangement was regarded as exceptional, but the government continued for some time to take an active interest in encouraging trade. Naval shipyards were ordered to prepare materials for swift, shallow boats to be used in exploring rivers.[34] A superintendent of trade was appointed "to promote and extend the Commerce of Our Subjects. . . ." [35] He was directed to mediate in disputes with the natives, prevent aggression by the French at Albreda, encourage the English to set up factories in the Gambia, and to seek "what new Channels of Commerce may be opened, and by what Means." The governor likewise was instructed to try to extend commerce,[36] but he had a difficult task. As Captain Graves of H. M. S. *Edgar* had written in 1765:

> In truth every white man acts here just as his caprice or private Interest leads him—Surely a Trade carried on in this precarious nay capricious manner and which is of so great Consequence to the Nation, seems to call aloud for some new regulations, more especially now that it is become an object of contention between us and so great a Nation as the French.[37]

Even greater rivalry took place farther south, where the alternation of Dutch and English posts caused continual friction. The Dutch claims to the land at Cape Apollonia in 1767,[38] and to a monopoly of trade with the Portuguese on the Gold Coast,[39] were firmly resisted by the English government, which actively protected English rights and insisted upon full freedom of trade.

The time seemed ripe for further extension of governmental control, since an investigation by the Board of Trade revealed considerable basis for the bitter charges of incompetence and favoritism against the African Company,[40] but vigorous denials

[34] *Annual Register*, 1766, vol. IX, p. 52.

[35] C.O. 389/51.

[36] E. C. Martin, *The British West African Settlements, 1750-1821* . . . (London, 1927), p. 70.

[37] C.O. 388/54.

[38] C.O. 389/32.

[39] C.O. 388/51.

[40] C.O. 391/84, T. 70/177. *Considerations . . . on the present State of the Trade to Africa* . . . (London, 1771), p. 23.

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by the committee caused the House of Commons to vacillate and drop the matter.[41] The spread of free-trade principles and the difficulties with the American colonies brought an aversion to additional responsibility, so strong that a bill was passed in 1783 by which England renounced her African experiment in direct governing and gave the Gambia territory to the Company.[42] By the Treaty of Versailles, she had ceded the Senegal and Goree to France in return for a guarantee of the Gambia.[43]

As the apparent equity of the agreement promised permanence, the English merchants hastened to press the trade. Parry and Ludlam, a prominent house supplying calicoes and linens to Africa, wrote in November 1786 that since the first of January, 102 ships had sailed to Africa from Liverpool, laden with English and East Indian manufactures.[44] Soon, however, there was anxiety about competition of the French, especially when appeals for support against them were ignored by the government. Thus when the French began to trade on the Gold Coast, the only weapon of the English merchants in rivalry with them, the Danes, Portuguese and Spaniards, was the weak regulated company. Slaves continued to be the chief objective of the trade, and the Europeans still clung to the seacoast, exploiting the natives instead of building up sound relations with the interior.

In the later years of the eighteenth century, two new factors contributed to alter the course of development. One was the newly aroused social conscience which demanded the abolition of the slave trade, and gradually realized that legitimate commerce must be fostered to take its place. The other was the spirit of scientific inquiry, now concerned with the interior of Africa. As the country was slowly mapped, efforts were made to introduce trade along the caravan routes and the river-ways.

[41] House of Commons, *Journal*, 1776-7, vol. XXXVI, pp. 534-38.

[42] *Ibid.*, 1782-84, vol. XXXIX, p. 476.

[43] *Annual Register*, 1783, vol. XXVI, pp. 325-26.

[44] F.O. 72/29.

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In 1786 Dr. Fothergill recommended trying to civilize Africa by colonization.[45] With pathetically little appreciation of the problems involved, at the instance of Granville Sharp,[46] champion of slaves, and Dr. Smeathman,[47] who knew the coast, the English government [48] sent to Sierra Leone over three hundred destitute negro men of London and sixty depraved white women.[49] After land had been bought and a settlement begun, they were left leaderless among jealous natives and hostile slave dealers. Their town was burned, but recruits later helped to found another on a charming site overlooking the best harbor on sixteen hundred miles of coast.[50] In spite of malaria and yellow fever, a permanent colony was thus begun, destined to challenge the whole established system of African social and economic life.

The promoters of the colony now formed the Sierra Leone Company,[51] although protests of the merchants foiled their plan of a monopoly of commerce. The first report shows the mixture of its objectives: honorable commerce in place of the slave trade, valuable raw materials, increasing markets for Great Britain, civilization of Africa.[52] Trade with the interior was especially desired, although little was done for it at first. In August 1792 A. Nordenskiold, mineralogist, started inland with trading goods. He reached the friendly town of Robanna and a point about twelve miles from Porto Logo, but on his return journey he was robbed, fell ill and died upon reaching Sierra

[45] C. B. Wadstrom, *An Essay on Colonization* . . . (London, 1794-5), Part II, p. 3.

[46] Prince Hoare, *Memoirs of Granville Sharp* . . . (London, 1820), 2d ed. (1828), vol. II, p. 9.

[47] Henry Smeathman, *Plan of a Settlement . . . near Sierra Leone* (London, 1786).

[48] Hoare, *op. cit.*, vol. II, p. 17.

[49] John Leyden, *A Historical . . . Sketch of . . . Africa* . . . (Edinburgh, 1799), p. 178.

[50] A. M. Falconbridge, *Two Voyages to Sierra Leone* . . . (2d ed., London, 1794), p. 67.

[51] House of Commons, *Journal*, 1791, vol. XLVI, pp. 245-46, 414, 442, 454, 457, and *Parliamentary History*, 1791, vol. XXIX, pp. 431, 651-55. 31 Geo. III, c. 55.

[52] Sierra Leone Company, *Report*, 1791, pp. 64-65.

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Leone.[53] His mission had demonstrated the two principal dangers facing African trade beyond the coast: the cupidity of the natives and the deadly fevers. Soon after, undaunted, two young men of the colony, Watt and Winterbottom,[54] pressed inland nearly three hundred miles to Timbo,[55] whence an invitation had come from the powerful Foulahs to open trade. As the king agreed to give up the slave trade if a better one could be substituted, the Sierra Leone Company established a factory up the river,[56] beginning a commerce that has continued to modern times.

A second attempt at colonization, this time with white settlers, was a complete failure. A group of young naval and army officers impulsively advertised for subscribers to an association formed to colonize the island of Bulama at the mouth of the Rio Grande.[57] They hoped to grow cotton, or possibly tobacco, coffee or indigo, and a few dreamed of trading for ivory and wax.[58] Two hundred and seventy-five adventurers, mostly "a licentious rabble", sailed in April 1792. Lack of discipline, a massacre by the natives, and sickness drove most back to England at once,[59] although a small group under Lieutenant Beaver stayed on until November 1793. Years later, Captain Owen, surveying, reported no trace of the settlement, but a son of one of the members, Mr. Lawrence, had the only commercial house in the region.[60]

The Association for promoting the Discovery of the Interior Parts of Africa now turned its attention to the West Coast. Founded in 1788 for scientific purposes,[61] it became increasingly enthusiastic about the commercial prospects, as its explor-

[53] Leyden, *op. cit.*, pp. 188-91.

[54] *Parliamentary Reports*, First Series, vol. X, p. 737.

[55] Hoare, *op. cit.*, vol. II, p. 41.

[56] B.T. 6/70.

[57] Philip Beaver, *African Memoranda* . . . (London, 1805), p. xiv.

[58] C.O. 2/1.

[59] Beaver, *op. cit.*, pp. 22, 49, 79.

[60] W. F. W. Owen, *Narrative of Voyages to* . . . *Africa* . . . (London, 1833), vol. II, p. 258.

[61] Association for promoting the Discovery of the Interior Parts of Africa, *Proceedings*, 1790, vol. I, p. 8.

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ers revealed more and more about the native trade routes. Two failures in the north led to sending Major Houghton to try the western approach to the supposedly rich cities of the Niger.[62] Supplied with goods as a trader, he ascended the Gambia River successfully, but when he reached Moorish territory, he was robbed, and perished, in September 1791. His letters home added to the exaggerated stories of wealth and civilization in inner Africa, which he knew only by hearsay.

While enthusiasts were paving the way for a distant future, the merchants were steadily advancing their immediate interests. They sought the help of the government against encroachments of the French in the Gambia and the Bight of Benin,[63] of the Portuguese at Ambriz,[64] and of the Danes at Popo.[65] The usual complaints were made against the African Company's officials.[66] The Liverpool Corporation won exemption for African produce from auction duty, as if it were of colonial growth.[67] The coasts of Africa were visited freely, but the jealousy of the natives continued to confine Europeans to a narrow belt along the shore.[68] The exports from England to Africa were munitions, rum, tobacco, iron-ware, cotton caps, some broadcloth, some Manchester goods, glass beads and trinkets, and a small amount of cottons from India.[69]

The outbreak of European war had serious consequences for West Africa, except the Gold Coast, where the Dutch tried to ignore the war. Governor Van der Gryp expressed his hope for "all Harmony en Vrindship", a sentiment which resulted in an informal agreement to avoid hostilities.[70] Sierra Leone, however, suffered directly and indirectly. Over £50,000 were

[62] *Ibid.*, vol. II, p. 3.

[63] B.T. 5/6.

[64] B.T. 3/3.

[65] B.T. 1/7.

[66] B.T. 6/69.

[67] B.T. 3/4.

[68] Archibald Dalzel, *A History of Dahomey* . . . (London, 1793), p. xxi.

[69] Mungo Park, *Travels in the Interior Districts of Africa* . . . (London, 1799), p. 25.

[70] B.T. 1/17.

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lost when the French plundered Freetown in 1794.[71] Communications with home became uncertain and insurance rates almost prohibitive, as ships were often captured by French privateers.[72] On the other hand, local conditions were increasingly favorable. Although natives seeking the settlement risked enslavement *en route,* one to two hundred came daily from as far as a hundred miles to barter African produce for British manufactures.[73] In 1798, the town already had three wharves, fifteen retail shops, and 1200 inhabitants, twenty or thirty of them Europeans. Ten or fifteen natives employed small vessels in the coasting trade.[74] Yet the Sierra Leone Company, which had been organized partly as a business venture, was discouraged. As the Court of Directors said in 1804: "The extension of British trade with Africa must depend chiefly on the creation of new exportable produce, and consequently on the introduction of a new spirit of cultivation among the people. . . ." [75] The responsibility for such long-time planning was too great for a private company, and the British government took over the colony on January 1, 1808.[76]

The African Association, meantime, was jubilant over the success of their next explorer. Mungo Park set out from Pisania, a small English factory on the Gambia, taking only a limited quantity of beads, amber and tobacco, to pay his way, and hoping to reach the Niger and, if possible, the famed trading centers of Timbuctoo and Houssa. Robbed twice, checked by wars, imprisoned by Moors, he conquered all dangers and hardships, and forced his way to the Niger at Sego in 1796.[77] The Association now tried to stir England to take advantage of the discovery. " . . . a gate is opened to every commercial nation to enter and trade from the west to the eastern extremity

[71] *Annual Register,* 1802, vol. XLIV, p. 267.

[72] Joseph Corry, *Observations upon the Windward Coast* . . . (London, 1807), p. 132.

[73] *Parliamentary Reports,* First Series, vol. X, p. 738; B.T. 6/70.

[74] *Annual Register,* 1802, vol. XLIV, p. 258.

[75] Sierra Leone Company, *Report,* 1804, p. 21.

[76] B.T. 6/70, B.T. 5/16, C.O. 324/69.

[77] Park, *op. cit.,* p. 201.

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of Africa."[78] Park, and Hornemann, who had been equally successful from the north,

> have explored roads which shortly mercantile adventure will, and must enter. In this new race of commerce, shame indeed would it be to our national councils . . . that from default of patronage and support of Government, our commercial people may lose the start for a priority of factories and establishments of trade, and permit other nations to usurp the vantage ground which British enterprise . . . shall have explored. . . .[79]

Early in 1799, the Association had urged a consul for Senegambia and an expedition to the Niger for a post there.[80]

> Such an opening for the consumption of the Manufactures of Great Britain, where Millions of Natives who are now supplied by a Land Carriage of near 2000 Miles across burning Sands, and who give Ivory, Drugs & Gold in return for the Goods they consume, may be furnished with British Articles by a Land Carriage of 500 Miles only, across a fertile & well watered Country. . . .[81]

Later the government made inquiries, in response to which Zachary Macaulay pointed out the dangers with refreshing realism, while Captain Beaver made the premature suggestion of using natives as pioneers.[82] None the less, Park was sent again in 1805, with an escort of soldiers and great supplies for barter.[83] All were lost when even Park perished after a canoe trip of a thousand miles down the Niger. The natives were antagonized by this incursion, still more by the bewildering abolition of the slave trade. "White man now come among us with new face, talk palaver we do not understand, they bring new fashion, great guns, and soldiers into our country,

[78] F. C. Hornemann, *The Journal of Travels from Cairo to Mourzouk* . . . (London, 1802), p. viii.

[79] *Ibid.*, p. vii.

[80] C.O. 2/1.

[81] *Ibid.*

[82] *Ibid.*; Beaver, *op. cit.*, p. 405.

[83] Mungo Park, *The Journal of a Mission . . . in . . . 1805 . . .* (London, 1815).

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but they make no trade, . . . therefore we must make war, and kill these white men." [84]

On the coast, gum trade was opened at Portendic, 135 miles north of the Senegal, about 600,000 pounds of gum being obtained annually from nomad Moors.[85] Governor Maxwell tried to start activities again up the Senegal River after the British had captured Goree and Fort Louis in 1808 and 1809,[86] but, the effort proving unprofitable thanks to Spanish and American competition *via* the Gambia, the Senegal was restored to France with little reluctance at the peace. The merchants moved back to the Gambia where they founded Bathurst,[87] capital of the permanent colony. Some interest also remained in the Gold Coast, soon better known through Meredith's able description.[88]

The coming of peace in Europe was followed by great activity in Africa. With the support of the African Association, Captain James K. Tuckey, R. N., ascended the Congo River in 1816. Nearly all of his party died of fever, but at least they learned that the "native merchants do not wish Europeans to penetrate into the country, lest they should interfere with their business." [89]

The Senegal was the route chosen by Major James Peddie for an official expedition on a large scale.[90] Native wars, the death of one after another of the leaders, unwise plans, necessitated a change of program. By way of the Gambia, a group finally reached Bondu,[91] and the surgeon, Dochard, went on to

[84] Corry, *op. cit.*, p. 127.

[85] B.T. 1/21, and Charles Reinhard, *Observations on . . . British Commerce* (London, 1804), p. 23, note.

[86] C.O. 324/69. Also B.T. 3/10, B.T. 5/19, B.T. 1/100.

[87] B.T. 5/26. William Hutton, *A Voyage to Africa . . .* (London, 1821), p. 25.

[88] Henry Meredith, *An Account of the Gold Coast of Africa . . .* (London, 1812).

[89] J. K. Tuckey, *Narrative of an Expedition to explore the River Zaire . . .* (London, 1818), p. 182.

[90] C.O. 2/5.

[91] C.O. 2/7.

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Sego.[92] Here he met suspicion and hate, coupled with fear of English occupation of the Niger basin if the outlet were discovered.[93] Later there was a change, and the King of Bambarra (at Sego) asked for an alliance and a mission to stop native wars. After a surgeon of Sierra Leone, O'Beirne, had been well received at Timbo,[94] several prominent natives returned with him. About one hundred chiefs from the interior joined in a general palaver with the English in 1821.

At the suggestion of the Governor of Sierra Leone, in 1822 Alexander Gordon Laing was sent from Sierra Leone to Kambia and the Mandingo country, the inhabitants of which "had shown a rapidly increasing desire to obtain the luxuries of Europeans in exchange for the produce of their labour."[95] He was directed to advise them about profitable forms of work. Later Laing struggled to Falaba, whence he returned with a caravan of traders.[96] Afterward, at his suggestion, Kenneth Macaulay tried the route by the river Rokon, "and the road is now thronged by the trading caravans from Foulah and Bambarra."[97] A direct result of Laing's visit was Commander Clapperton's disastrous expedition to Sokoto in 1825,[98] in response to Sultan Bello's invitation to the English to open trade in goods instead of slaves.[99]

Such repeated failures brought discouragement, and when Richard Lander, who had accompanied Clapperton, proposed to return to the Niger to trace it to its source, he received slight support. The simplicity of the mission may have been one reason for its success. When the brothers Lander followed the Niger to the sea through the Bight of Benin in 1830, the

[92] W. Gray and Staff Surgeon Dochard, *Travels in Western Africa* . . . (London, 1825), p. 136.

[93] Gray and Dochard, *op. cit.*, p. 351.

[94] F. W. Butt-Thompson, *Sierra Leone* . . . (London, 1926), p. 219.

[95] A. G. Laing, *Travels* . . . *in Western Africa* (London, 1825), p. 2.

[96] *Ibid.*, pp. 211, 420-25.

[97] *Ibid.*, p. 30, note.

[98] Hugh Clapperton, *Journal of a Second Expedition into the Interior of Africa* . . . (London, 1829), p. x. Richard Lander, *Records of Captain Clapperton's last Expedition to Africa* . . . (London, 1830).

[99] C.O. 2/16.

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quest of years was ended.[100] At once a group of merchants, led by Sir John Tobin and M'Gregor Laird, formed the African Inland Commercial Company.[101] They sent out two steamers in which Captain Harris, Laird and Lander started up the river. Unsuitable trading goods, sickness and a boycott by the natives prevented success, although treaties with two tribes gave new hope, soon to be shattered by the murder of Lander.[102] One of the steamers was left at Fernando Po, and in it Captain Becroft began his unpretentious trips up the rivers of the region, winning the confidence of the natives and trading profitably.[103]

Along the Gold Coast, matters fared badly for a time. In 1816, only five private traders remained at Cape Coast Castle.[104] As the warlike Ashantees cut off the interior, two missions were sent to them,[105] but divided authority caused sordid intrigues, from which the natives suffered. Government intervened, abolished the African Company in 1821, and entrusted control to a committee of merchants, until it was finally realized in 1843 that the full authority of a regular government was essential. War, which dragged on for years until 1831, was destructive to trade. Elsewhere, fortune varied. The merchants at Bathurst did well in spite of the foreign competition that followed the refusal to give them a monopoly.[106] Connection with the interior was improved after Lieutenant-Governor

[100] C.O. 2/18. Richard and John Lander, *Journal of an Expedition to explore . . . the Niger . . .* (New York, 1832).

[101] C.O. 2/19. Robert Huish, ed., *The Travels of Richard and John Lander . . .* (London, 1836), p. 746, and *Parliamentary Papers*, 1834, vol. XIV [478], pp. 56-57.

[102] M'Gregor Laird and R. A. K. Oldfield, *Narrative of an Expedition into the Interior of Africa . . .* (London, 1837). William Allen, *Picturesque Views on the River Niger . . .* (London, 1840). Huish, *op. cit.* Sir James E. Alexander, *Narrative of a Voyage . . . among the Colonies of Western Africa . . .* (London, 1837), vol. I, p. 181. C.O. 2/19. Ad. 13/182.

[103] Royal Geographical Society, *Journal*, vol. XI, pp. 184-90, vol. XIV, pp. 260-83.

[104] *Parliamentary Papers*, 1817, vol. VI [431], p. 5.

[105] John Beecham, *Ashantee and the Gold Coast . . .* (London, 1841). T. E. Bowdich, *Mission from Cape Coast Castle to Ashantee . . .* (London, 1819). Joseph Dupuis, *Journal of a Residence in Ashantee* (London, 1824). Brodie Cruikshank, *Eighteen Years on the Gold Coast . . .* (London, 1853). C.O. 2/11.

[106] B.T. 1/118, 149, 156.

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Rendall forced open the Jataban branch of the Gambia. At once eight or ten boats began regular trips from MacCarthy's Island, and by 1837 the trade was growing steadily.[107] The revival of the gum trade at Portendic was less satisfactory. Legislation against importation of gum from France was circumvented.[108] Spasmodic contributions by the government for presents to induce the Moors to come to the coast ceased in 1847 when the field was left to the French.[109] Sierra Leone began to export wood for the navy, ivory, gum copal, pepper, wax, palm oil and rice.[110] Palm oil was shipped in quantities at Calabar. Grain was sent to the West Indies from Seccondee and Accra, and at Gaboon the natives cut dye-wood and ebony.[111] George Robertson attempted a settlement at Fernando Po in 1819, but it was broken up when a naval patrol took him for a slave dealer.[112] When Clarence Cove was founded there in 1827, the ships trading for oil in the Bights of Benin and Biafra had their first local base.

At the old posts of the African Company, the rule of Governor George MacLean from 1830 to 1847 marks a new era. The respect inspired by his character made his word law over a great district.[113] Commerce was increasing. Depots of goods were placed on the principal paths to the interior. At first, over-generous credit encouraged hosts of peddlers, but gradually a sounder system grew up by which the Ashantees came down to the coast to buy. The use of cowries for money and the increasing production of palm oil gave further impetus to trade.[114] Small amounts of British goods penetrated as far as Sokoto and Bornu.[115] Everywhere on the coast English

[107] Royal Geographical Society, *Journal*, vol. II, pp. 305-306, vol. III, p. 75; B.T. 1/336.

[108] B.T. 1/171, 174, 186, 191, 201. 3 Geo. IV, c. 42.

[109] B.T. 1/265, 280, 301, 321, 327, 336, 343, 344, 357. B.T. 3/26, 27, 28. B.T. 5/45, 55, 56. C.O. 87/14, 27, 30, 38. F.O. 97/344.

[110] B.T. 1/128.

[111] T. E. Bowdich, *The British and French Expeditions to Teembo . . .* (Paris, 1821), p. 12.

[112] B.T. 5/28.

[113] *Parliamentary Reports*, 1842, vol. XI [551], p. 5.

[114] Cruikshank, *op. cit.*, vol. II, pp. 33, 36, 40, 41-43.

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vessels collected native produce. In the Niger basin, there were frequent markets in the towns, and fairs attracted brokers from a great distance. The variety of wants is shown in a description of the contents of a shop in Freetown: beads and necklaces, bottles of rum and ale, umbrellas, soap, iron pots, scissors, knives, hats, handerchiefs, cheeses, tobacco, teacups.[116] Missionaries encouraged industry and persuaded the converts to don more garments, at least on Sunday.[117] A number of firms had factories along the coast, usually small huts where one or two agents bartered palm oil for British manufactures, supplied by regular visits of the owner's vessels.[118] At Fernando Po, the enterprising Becroft and Oldfield had "several stores containing a little of everything, which articles they ship off in smaller vessels who barter up the adjoining rivers with the natives for palm oil and ivory."[119] In 1834 William M. Hutton and J. B. Rayner reported to the English government: "The Ships of Great Britain are now dispersing her manufactures from the river Senegal to the furthest limits of Angola —over a vast district,—comprehending many navigable rivers —and bringing in return the productions of the African Soil."[120] For the five years ending in 1836, the average value of British exports to West Africa was £341,091 a year,[121] and in 1840 the average tonnage from Liverpool to the Bight of Benin was one-fourth that to the West Indies.[122]

Satisfying as was this growth, restriction to the coast was irksome, especially as the local natives in some places had become rapacious. Trade with the interior was impossible without preliminary surveys of the rivers. Jamieson of Liverpool

[115] Laird and Oldfield, *op. cit.*, vol. I, p. 51.

[116] F. H. Rankin, *The White Man's Grave* . . . (London, 1836), pp. 68-71.

[117] R. M. Macbrair, *Sketches of a Missionary's Travels* . . . (London, 1839), p. 209.

[118] Sir Henry Keppel, *A Sailor's Life* . . . (London, 1899), vol. I, p. 205.

[119] *Ibid.*, p. 224.

[120] B.T. 1/305.

[121] G. R. Porter, *The Progress of the Nation* . . . (London, 1836-43), vol. II, p. 111.

[122] Robert Jamieson, *A further Appeal* . . . *against the proposed Niger Expedition* . . . (London, 1841), p. 24.

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had sent Becroft up several of them, but not enough could be done without government aid. The skepticism of the Board of Trade is shown by a marginal note to an application from the merchants: "but I don't believe a trade will spring up C. P. T." [123] The authorities yielded, however, to the pressure of the philanthropists, led by Sir Thomas Fowell Buxton,[124] who had become convinced that agriculture and commerce in Africa were the only means of destroying the slave trade, and urged an expedition up the Niger to further their views. The African Civilization Society [125] and the Church Missionary Society [126] coöperated. With mixed philanthropic, scientific and commercial aims, the expedition started in 1841 under Captain H. D. Trotter.[127] They made several commercial treaties, and had set up a model farm, when fevers broke out with such severity that the project was abandoned, although not until useful exploration of the Niger and the Cameroon River had been accomplished.[128] Baikie's successful expedition in 1854 completed the major work of exploration of the Niger.

The navy quietly continued its local activities, pursuing slavers, sometimes to the annoyance of legitimate traders,[129] and making treaties for the abolition of the slave trade with the chiefs on one river after another, rewarding them with gifts of British manufactures. After 1837, the treaties included clauses for the protection of the merchants and the regulation of trade. In May 1847, Commodore Hotham reported:

[123] B.T. 1/339.

[124] Sir T. F. Buxton, *The African Slave Trade* . . . (London, 1839), 2d ed., pp. 193-95.

[125] W. Allen and T. R. H. Thomson, *A Narrative of the Expedition . . . to the River Niger* . . . (London, 1848), vol. I, p. 38.

[126] J. F. Schön and S. Crowther, *Journals* . . . (London, 1842). W. Simpson, *A Private Journal kept during the Niger Expedition* . . . (London, 1843).

[127] Allen and Thomas, *op. cit.* Paul Read, *Lord John Russell . . . and the Niger Expedition* . . . (London, 1840). Sir George Stephen, *A Letter to . . . Russell* . . . (London, 1840).

[128] Royal Geographical Society, *Journal*, 1843, vol. XIII, p. 8.

[129] B.T. 5/49.

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"We have treaties on almost every part of the Coast."[130] Reports of these agreements reached the interior and the King of Dahomey asked the explorer, John Duncan,[131] to secure one for him, offering to cede Whydah[132] if the British would reëstablish themselves there. Intrigues, the death of Duncan,[133] who had been appointed vice-consul to Dahomey, and war checked advance in this quarter until, in 1861, England acquired Lagos, later to be second in importance to Sierra Leone among British possessions on the West Coast of Africa.[134]

In the older districts trade was being pursued quietly for the most part. Along the river banks and about one third of the coast, there was civilization, of a sort at least, product of industry and the teaching of the missionaries. The days of extraordinary profits were over. Intelligent natives, some of them educated in England, were taking a share in the trade. They lived simply and sold their purchases at retail for cash. Spared the expense of factories, and working in coöperation, often pooling their capital, they combined to buy at low prices. The English local merchants were hard pressed, especially as groups of natives sometimes placed orders directly in England.[135] Commerce gained, though many an individual suffered.

A new market was developed in Liberia, where forty British factories were scattered along the coast. As the country asked recognition as a nation, Palmerston made a commercial treaty in 1848 with it, which protected British interests.[136]

[130] C.O. 13/182; B.T. 1/336; B.T. 5/45, 49; Ad. 1/4269, 5574, 5589; Ad. 13/181; C.O. 87/25, 30, 38.

[131] John Duncan, *Travels in Western Africa* . . . (London, 1847), vol. II, p. 267.

[132] *Ibid.*, vol. II, pp. 268-71. T. Hutton, of Cape Coast Castle, had two agents there. *Ibid.*, vol. I, p. 184; Royal Geographical Society, *Journal*, 1846, vol. XVI, p. 147.

[133] F. E. Forbes, *Dahomey and the Dahomans* . . . (London, 1851), vol. I, pp. 43, 94; vol. II, p. 188.

[134] A. B. Ellis, *The Land of Fetish* (London, 1883), pp. 66-93.

[135] T. E. Poole, *Life . . . in Sierra Leone and the Gambia* (London, 1850), vol. II, pp. 61-62.

[136] F.O. 47/1.

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The chief disturbing factor was rivalry with European powers. Complaints were made of French attempts to exclude other traders. It was reported that a French man-of-war had tried unsuccessfully to seize territory on the Old Calabar River, and that a British merchant had been debarred by them from the Gaboon River, formerly freely used by the English. From the Gambia came word that the French were far up the river, although permitted by treaty only at Albreda. When two French warships arrived at the Gambia, the English governor asked for naval protection, which was refused because of the determination of the Foreign Office to maintain cordial relations with France after the Revolution of 1848.[137] Uncertainties over Belgian intentions on the Rio Nunez led to a clear announcement of British policy. The Belgian plan had been to occupy both banks of the river to a depth of about a mile. England asked whether Belgium intended to respect the freedom of the river, previously "a great highway, free and open to the commerce of the World."[138] Upon receiving a satisfactory answer, England asserted her position that there was room enough for all, and that she was resolutely opposed to any monopoly. She had shown her attitude also by repeated refusals to accept territory offered by the native chiefs. After the many years of often fumbling experiments, she felt her position secure. Possessed of strategic footholds, and well versed in the ways of Africa, she now confidently relied on freedom of trade and the enterprise of her merchants to keep pace with the growing civilization and wants of Africa.

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[137] Ad. 1/5589.

[138] F.O. 10/147.

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THE END OF VARE

THE recent passing of the political boss in Philadelphia was a natural phenomenon caused by the attrition of men and events over a period of time. It was like the collapse of an old oak whose roots had been lossened by wind and rain so that the tree could not help but fall before the next wind storm. The eclipse of the last, and perhaps the greatest, of the Vares can more adequately be explained by this analogy than by saying that the boss's overthrow was sudden, like the toppling of a tree struck by lightning.

This is true notwithstanding the fact that the outward maneuver that finally destroyed the domination of William Scott Vare over the Republican Central Campaign Committee of Philadelphia was brought about by a palace intrigue rather than a revolt from the people. The coup d'état of June 6, 1934, was preceded by a series of events, culminating in the revolution of November 7, 1933, when Philadelphia went Democratic in the municipal election. And the significance of this Democratic victory must be noted in some detail, for it revealed the legendary Vare as a mere mortal who had made grievous mistakes of judgment in the campaign. This defeat powerfully aided his enemies, who decisively defeated him in 1934, just two months before his death on August 7.

Before explaining the overthrow of the Vare leadership in detail, however, I shall briefly describe the Big Boss himself —the last of nine feudal barons who have ruled Philadelphia for 84 years—William B. Mann, Robert Mackey, James M'Manes, David Martin, Israel Durham, Boies Penrose, Edwin H. Vare and William S. Vare. They were the government that ran the government, the inevitable human equation functioning in the urban democratic community. These political bosses differed in their personal characteristics and in the extent of their power—and among them all, William S. Vare was, according to Col. John Irving Dillon, the only one to have had

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for a time the undivided support of the Republican Central Campaign Committee.

William S. Vare was the last survivor of the three Vare brothers, all of whom devoted their time, energy and thought to each other, to politics, and to the contracting business. To understand the position of Bill Vare one must note the assistance that he received, and the life and counsel that he shared with his older brothers. The three were spoken of as George, the politician, Ed the contractor, and Bill the candidate for office; but of course the three brothers were each all three in one. (With regard to the contracting business, it was estimated that during the four years, 1924-28, the Vare Construction Company was awarded contracts of all kinds amounting to from $15,000,000 to $20,000,000.) [1] George and Ed have both been dead for a number of years. George Vare died in 1908, after having served in the Pennsylvania Assembly (1891-96) and the Senate (from 1896 until his death), and after having unhorsed Amos Slack, the leader of the old first ward, the original domain of the Vares, in 1895. He was a contractor on public and private works. At the time of his death he was a factional leader in the Republican organization, controlling the wards of South Philadelphia; his younger brother Ed resigned from the Assembly in 1908, where he had served since 1897, and was elected to the Senate seat vacated by his brother, which he held until his own death, in 1922.

[1] The inventory of William S. Vare on file at the Register of Wills office, City Hall, Philadelphia, shows that he owned $791,000 worth of the City of Philadelphia bonds out of a total estate of $1,459,917.24. The bonds were purchases over a long period of time beginning in 1907 and ending in 1929. Additional items in the estate include $416,993.24 in cash (one is reminded that at the time of Penrose's death more than a quarter of a million of dollars in cash was found in his safety vault); 1307 shares of the Vare Construction Company are listed at $191,645; 75 shares of the Jewish World Publishing Company are listed at no value; 41,475 shares of the Philadelphia Daily News are listed at $41,475; 49 shares of the Philadelphia Dispatch Publishing Company at $49. There were a number of items of personal property such as jewelry, furniture, etc., which made up a large list, but which were appraised at the approximate low total of $500. One can imagine what the figure might have been had this property been valued for bail rather than for inheritance tax purposes. (Information secured April 29, 1935, through the courtesy of a prominent Philadelphia attorney.)

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Edwin Vare, closely assisted by his younger brother, William, had become the most powerful political leader in Philadelphia by this time.

Bill Vare was at the head of this once almost impregnable Republican organization not because of any unusual intellectual or social acumen. He was in no sense a cultured or highly civilized person. He had never had time to read, and he knew nothing of the liberal arts. He was ignorant about many of the implications of the social process of which he was a part. But he was an ultra-specialist in ward and city politics. He was a politician without informed ideas on a great majority of public questions; but instead of a high order of intelligence, he possessed "a happy shrewdness" that enabled him to succeed where more intelligent men have failed. He saw with an eye single to the fifty wards in Philadelphia, and the 1283 divisions of these wards. He was a prototype of his people—the conservative, matter-of-fact, uneducated, hard-working people that actually lived in the fifty wards of that interminable city of small homes, block on block of duplicate houses, wall to wall on narrow, treeless streets. If the boiled-down psychic residue of all these people could be put into one test-tube (to borrow the figure of speech of a distinguished independent in Philadelphia) and that of Vare be put in another, and both tubes held to the light, they would have looked the same (before the great depression). The voters of Philadelphia and Vare recognized this identity, and that fact helps to explain his political success. Not only was he like the mass of voters in his city, but he was never ashamed of his humble beginnings as the tenth and youngest son of an English farmer in "The Neck", who went to work as a cash boy at Wanamaker's when he was twelve—and who spent his youth as a huckster and a hauler of ashes and garbage. None of the Vares were ever ashamed of this. Once Penrose called William S. "the ash-cart statesman", and he accepted the appellation; it became part of his political capital and was worth votes at the polls. Ed Vare once told a newspaper man, "We're not ashamed of our parents or our friends or the work we did on our way up in the world." Ed continued, "This is the

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district I worked when I was growing up." (They were standing on the corner of Ionic street.) "Many and many a morning before daylight I came out of this alley carrying half a barrel of swill on my shoulders. If Penrose and his crowd find anything to laugh at or sneer at in that, let them go ahead." None of the three brothers ever, for a moment, lost this "common touch"; and it was one of the qualities that enabled them to succeed.

William Vare was not seriously considered as an outstanding leader at the time of his brother's death; he was just the younger brother in a great political family. In a very short time, however, he revealed that he, too, was a leader of unsuspected managerial ability, though he was outwardly different from his brothers, and from the majority of municipal bosses. By 1926, as I have said, he had succeeded in bringing together all the leaders of Philadelphia's wards under his single guidance.

In attempting to explain the rise of this man to such leadership, one finds a blend of factors of cumulative weight. The first one was undoubtedly this—that, although Bill Vare did not have an appealing or charming personality himself, both George and Ed did. These older brothers had an unusual capacity for making friends, and they founded the Vare fortune, both in dollars and votes. Bill Vare was never alone until Ed died in 1922. But after that time, he went right ahead, and he reached heights never approached by either of the two more likeable brothers. He became leader by surrounding himself with a few of Ed Vare's friends, by contacts with key people, and through the exercise of certain personality traits, the most outstanding of which were his political astuteness, his unusual energy, his remarkable patience and determination, his ambition, and his unwillingness to surrender this side of the grave. Before his health began to fail he had also had an exceptional memory, great resourcefulness, a marked capacity for details, and a record for truth-telling (that is, man to man) that made him deserving of a cherry tree story of his own. And two supplementary factors that strengthened all others were the devotion of his family, and the power which his personal wealth gave him.

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In 1926, after having served fourteen years in the lower house in Washington, Vare reached for the United States Senate. A bitter and gigantic struggle followed. He and his group won the nomination, and reported an expenditure of $785,934. George Wharton Pepper lost, although his group put at least $1,804,979 into this great primary battle. Three years later the United States Senate refused Vare admission, not for any illegal act, but for general reasons similar to those that closed the portals of the Union League to him—he was a ward politician without social background; in addition to that, his campaign expenditures had been excessive.

On August 1, 1928, Senator Vare had a stroke; his collapse was probably caused by the strain of the Senate's prolonged inquiry. For some two months after the stroke his life was despaired of. During this same August, a Grand Jury investigation was started. It had been called ostensibly to investigate racketeering in Philadelphia; there had been the murder of a notorious character, there were rumors of politics and political protection. This Grand Jury investigation, however, like many other reform movements, served a dual purpose. As it progressed during Senator Vare's illness, it was used as a weapon to strike at him. Mayor Mackey (he had managed Vare's 1926 campaign and Vare had made him Mayor in 1927) and District Attorney Moneghan (long a Vare stalwart), George Holmes (a county commissioner, and one of Vare's right-hand men), and later, Albert Greenfield (who described himself in 1926 as the largest property holder in Philadelphia, and who raised much of the acknowledged expenditure of $785,934 in the Vare campaign and admitted personal contributions of $125,000 to Vare's war-chest)—these four Vare men decided that since Vare was about to die, somebody would have to take over the leadership. Here was an opportunity of a life-time! And they reached for it.

The battle line was drawn in the municipal election of 1929. A reform organization called the Republican League, composed of former Vare politicians plus certain life-long reformers, was created. Vare himself was seemingly ill unto death at Atlantic City; he was unable to do any campaigning, but

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the Vare party institution never faltered.[2] Thus even though the leader was absent, he had enough loyal and active lieutenants in the field to carry his ticket to victorious majorities, ranging from 153,000 to 200,000. The first move to take Vare's toga had failed.

Al Smith had given the Vare organization a real jolt, too, in 1928. The idea that was "Al" was so appealing to the people in Vare's home ward, the first, that its leader who is Vare's personal representative failed to keep it in the Republican column. The contest in this bailiwick is particularly significant as an instance when popular opinion, largely unorganized, defeated a candidate supported by an overwhelming majority of the newspapers and one of the best ward organizations in the city. Furthermore, the Al Smith leader of the ward in this fight was a fake, for in reality he was one of the Republican division leaders who played a Democratic rôle for this specific occasion. He took charge of the Democratic campaign because the ward boss thought that "it would be better to have me leading this movement than an outsider. Yet the Democrats won. They swept over us like a wave." Four other wards in this original Vare stronghold were carried by the Democrats. Even more damaging to Vare's prestige was the defeat of the widow of his brother Edwin, Flora M. Vare, who had been holding the Senate seat that he and his brother George had held since 1896. Her defeat was the result, in part at least, of faulty campaign tactics. Al Smith got under the skin of the people in South Philadelphia. Some of these people told their leaders that if they could vote for Al they would give the organization the rest of the ticket. These division leaders were badly advised. They replied that the vote must be for Hoover or nothing. In too many cases, at least for Senator Flora Vare, it was nothing. The loss of Vare wards from the Hoover column and of Flora Vare's Senate seat in the same district showed some people that Vare's organization could be beaten, and that in the very core of Vareville!

There was a cloud of uncertainty hanging over Vare's leadership ever after his stroke in 1928. Thenceforth he was a

[2] See my *Boss Rule: Portraits in City Politics* (New York, 1935) for a picture of this institution in action.

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sick man, and often so seriously weak that he lacked the personal strength necessary to take the field in political battles, whether to lead his friends or to oppose his enemies. His home was in Ventnor, Atlantic City, and there he remained most of the time, save for two-hour periods at his office in Philadelphia when his health permitted. The best he could do was to provide his organization with absentee leadership, and this is the equivalent of no leadership at all. In seeking advice concerning the ever-changing political scene he called on those that he believed were faithful to him. This meant, in many important instances, the sacrifice of talent for loyalty, thereby creating a situation that was a perpetual invitation for intrigue and revolt. Ward leaders who had been lieutenants of the late Boies Penrose, as well as certain Vare stalwarts, were ever on the *qui vive* to seize control.

One can best understand the politicians' state of mind, in 1931 for example, by imagining a pack of forty-eight wolves following a wounded leader. The leader is no longer able to run at the head of the pack but he has a psychic advantage over all pretenders because of past victories, and furthermore when one or more wolves close in to finish off the leader they are fought by other members of the pack, either because of fear for what the old leader might do, loyalty to him, or uncertainty as to their place under the leadership of the wolves that kill the old one. The leader, Vare, survived as long as he did, not because he was strong or because his opponents were weak; his name continued powerful because elections were still being won and the usurpers could not concentrate on one individual with sufficient power to defeat him.

However Vare's downfall was nearly encompassed in the preprimary mayoralty campaign of 1931. At that time Charlie Hall was the President of City Council; he was a former Penrose lieutenant and a foe of Vare; he was also one of the three or four most powerful politicians in Philadelphia, the right-hand man of the Pennsylvania Railroad, and a millionaire. For more than a decade he had been leader of the 7th ward—the home ward of Iz Durham; and before Iz Durham the ward had been led by John M'Manes of the old Gas Trust. Months

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before the primary, Councilman Hall had been secretly at work lining up the ward leaders for his (and the Pennsylvania Railroad's) candidate for Mayor. Hall's plan might have succeeded had he picked a less vulnerable candidate than George H. Biles, who was identified with the Pennsylvania Railroad and political contractors. In spite of this fact thirty-two or more of the forty-eight ward leaders had been persuaded to sign on the "dotted line" (a Vare custom) for Biles. However among the leaders that refused to go along with Hall was the shrewd and powerful Senator Sam Salus who was and is absolute master of the 4th ward. When Charlie Hall was most ardently trying to thrust this bare bodkin into the fallen leader's back in the form of the Biles candidacy for Mayor, Senator Salus called on Elisha Lee, Vice President of the Pennsylvania Railroad. The meeting was rough, and, according to City Hall gossip at the time, the Senator slapped Mr. Lee's face and told him to keep his snoot out of Philadelphia politics. Furthermore, he threatened to support Pinchot's program for more adequate utility regulation in the legislature if the railroad crowd continued to support Biles's candidacy. Whether the slap was literal or figurative, the railroad influence diminished.[3]

When Vare, although flat on his back at the time, was asked to go along for Biles, he said that he would spend every cent

[3] In the spring of 1935 the Bar Association of Philadelphia cited charges of professional misconduct against Senator Salus and seven other attorneys. These men were required to stand trial before the five President Judges of the Common Pleas Court. On April 15, six of the attorneys (including Senator Salus) were ordered disbarred and two others were found not guilty of professional misconduct, but were censured by the court. Those familiar with the situation were not surprised at the evidence produced in court but there is speculation as to why certain other attorneys were not cited for trial along with these eight. A letter to the writer dated February 18, 1935, from an independent Republican of unquestioned integrity and intelligence is in point:

"Sam Salus was getting too big. A little over a month ago a testimonial banquet was given him at the Bellevue at which there were about 1000 persons present, including then Governor Pinchot and state senators from throughout the state. He was made much of and there was talk of his taking over the leadership of the Republican Party. He was undoubtedly a potent factor. . . .

"In any event, there was plenty of reason for pulling the Saluses down and the Bar Committee offered the opportunity. The wise ones will point out also that the Chairman is a Louchheim man and that Salus and Louchheim have been leading opposing factions for some years past."

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he had rather than see the contractor's candidate nominated. "Anyone but Biles!" he added. He took the long, lean ascetic-looking independent, J. Hampton Moore, a former foe, and in forty-eight hours the Biles boom had collapsed. The terrific tension of trying to upset a throne killed the powerful Big Tom Cunningham, Sheriff of Philadelphia, a few days later; he collapsed talking to Vare on the front porch of the Atlantic City home that is as seasoned with political talk as any nook or office in City Hall. Charlie Hall was stricken a few days later at the Saratoga race track in New York State. Hall was doomed to political extinction when Biles resigned from the campaign. His "signers" scurried back to Vare. Harry Kuenzel, a county commissioner and a lesser political leader, also died about this time and it is the opinion of members of his political family that his death was caused by the strain of making this formidable threat against Vare's supremacy.

In addition to the ward leaders who died waiting for Vare to die, there were other casualties of a political sort. Men who guessed wrong about Vare's dying or his strength were deposed as a result. George Holmes, one of the plotters, had been county commissioner, but he was not "reappointed"; the voters ratified Vare's choice of a faithful man—the Honorable Jimmie Clark—at the election. The same thing happened in the case of Harry W. Keely, Receiver of Taxes and then Judge Brown's man on the City Committee from the 15th; now a Vare dependable, Arthur Brenner, is Receiver of Taxes. In those days, one lounging about City Hall and talking to the regulars there would necessarily have been impressed with the amount of speculation on Vare's death. It was the substratum of many conversations; so many that one was constantly reminded of those lines from *King Richard II,* "For God's sake let us sit upon the ground and tell sad stories of the death of kings."

In the 1932 campaign Vare struck again at those who had attempted to depose him. For example, he refused to support Congressman Benjamin Golder, a protegé of former Sheriff Cunningham, for Congress. Golder thereupon waged a bitter campaign for renomination in the 4th congressional

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district. Vare and the ward leaders in the district were supporting Arthur Sellers, a deputy coroner and the leader of the 32nd ward, for the Golder place. Golder savagely struck at them over the radio and from the platform. His attack on the deputy coroner led first to Seller's arrest and then to his suicide. Golder also charged Vare, citing chapter and verse, with having received hundreds of thousands of dollars from the American Telephone and Telegraph Company and the Pennsylvania Railroad in exchange for Vare's political influence. Golder is a most effective campaigner and his attacks on the Vare organization made him even more feared than hated. Yet Philadelphia went Republican in 1932 by 70,816 majority.

The extent of the Vare organization's defeat in 1933 has already been noted. This defeat was caused by the great depression, the popularity of Franklin D. Roosevelt, the resentment of the voters toward existing organizations and leaders, and certain weaknesses in Vare's leadership.

And it is the last of these factors that will be commented on here. After 1928, as I have said, Philadelphia was governed by absentee leadership—and absentee leadership, like absentee landlordism, is resented by the American people. Vare could no longer keep his hand on the pulse of Philadelphia while he was seriously ill or convalescing in Atlantic City or St. Lucie, Florida. After the warning registered in the September 1933 primary, however, he took the field in person (from a bed) and moved to the Warwick Hotel in Philadelphia. This might have helped more had his brain been as keen as it had once been; but it was not. His hand now trembled as he felt the public's pulse; his feel for the drift of public sentiment was no longer sure; his knowledge of the strength and temper of men was inadequate and often inaccurate. He had been forced to rely increasingly on advisers. In selecting them he had been guided by Grand Duke Alexander's precept, that a minister's loyalty to the throne may be worth more than his talents. Vare's central thought was to confer with loyal counselors. This led him to ignore the advice of some of the organization's keenest thinkers.

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Just as a Boss standing behind public officials has brought them (and the public) to grief, so did this synthetic leadership standing behind the Boss bring him and his party organization to irremediable defeat. Vare made an inexcusable mistake in slating the vulnerable Edward Merchant, secretary of the Board of Public Education, for the important place of City Controller. Before the primary campaign was well under way, the organization apostate, Benjamin Golder, made such devastating charges against Merchant on the score of irregularities in the purchase of real estate for the Board of Public Education, that the Board was forced to appoint an investigating committee. The newspapers carried solid pages of the testimony for a number of weeks, and the crusading *Record* in particular published much invective in its editorial columns against Merchant. Though he finally won the nomination, after the primary the organization substituted a respectable attorney, Chester N. Farr, a man of high standing, in his place. Unfortunately for the organization, however, Mr. Farr was also a member of the Board of Public Education, and the trend of sentiment against the organization and the revealed carelessness and extravagances of the school board could not be stopped. Mr. Farr lost the election.

A second blunder was Vare's sponsorship of an exchange of important county offices between two old-time ward leaders—Register of Wills, Billy Campbell, and Coroner Fred Schwartz. They are both colorful men, but in 1933 the electorate was more interested in real ability than color. Furthermore, Mr. Campbell was just finishing his third four-year term in a most lucrative office, and this switching of him over to the Coroner's office, or the other life-long place-holder to the Register of Wills office, awakened no enthusiasm save in the two men concerned, while it did anger and incense many organization followers who thought that someone else should have been given a chance. Thus this particular move, while sacrificing a certain amount of good will within the organization, did nothing to awaken confidence among the voters.

Vare's next mistake can best be explained by the deadening effect of his paralytic stroke, for in tampering with the mu-

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nicipal court in a critical year, 1933, he did what no boss in possession of his normal faculties would have done—attempted to replace several judges with men of unquestioned loyalty to himself. Even though one of the shrewdest politicians in Philadelphia is a judge, though several other judges are the real leaders of wards, in actuality if not in name, though still others are powerful vote-getters, and the popular presiding judge of the Common Pleas Court, No. 1, Harry S. McDevitt, has since been mentioned in the newspapers as a possible successor to Vare, and was a candidate for governor in 1934, yet, in spite of these known facts, Philadelphia likes to think of the judiciary as apart from politics, and favors the retention of sitting jurists unless there is some particular reason why they shouldn't stay on the bench.

The 1933 election caused Vare's stock to strike bottom. Newspaper headlines announced "New Deal Ends Vare's Rule", "Republicans Lose Entire Party Slate", "Leaders Discuss Shelving of Vare"; and *The Inquirer* boldly announced in a double-column front-page editorial that "Vare Should Get Out! Philadelphia Republicans Require New Leadership." The *Evening Public Ledger* editorially stated that decisive as the election verdict was, it "must be considered less as an endorsement of President Roosevelt than as a repudiation of the Vare leadership in this city."

This talk persisted, and yet the indomitable Vare, with a courage that never lessened, continued as leader and boss until June 1934. Nor did he draw on a silken glove in his last days for the sake of maintaining his hold. He had always been described by his familiars as a "tough ringmaster", and he remained that until his death. Those politicians that most wanted to see him overthrown had no one big enough to do the act. Vare inspired fear, and not altogether without cause. Some men whom Vare had made had found that a step away from him, even after he was stricken, was a step toward oblivion. The shrewdest and most daring of these men had learned by 1933 that it was not safe to strike a boss unless one killed him. In February 1934 the members of the City Committee decided to create a War Board or Advisory Committee

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of twenty-one members to act as "Leader" in place of Vare. It was said that this plan was agreeable to Vare, who understood, after the tragic defeat of 1933, that he was not physically able to provide the necessary leadership. However, he wanted this committee of twenty-one under his control and suggested that it rely on a subcommittee of seven members—the idea being that these seven men would be Vare "yes men". The War Board refused his suggestion and so he huried home from Florida and scrapped the War Board.

Preceding the spring primary of 1934, the hopeful candidates called at Vare's home in Atlantic City to get his support. He still had power in the eyes of realistic candidates. At this time, and contrary to his custom of deciding for himself, he yielded to the advice of some of his loyal ward leaders, and declared himself for Attorney General William A. Schnader, the Mellon-Grundy choice, for governor. But, though Schnader won the nomination, the credit was in no way Vare's; and the more strictly Vare candidates for lesser offices were defeated. Although when the legislature met in a special session at Harrisburg a week after the election Vare's lieutenants delivered his orders and they were obeyed, yet it was clear to everyone Vare's day was ending.

The final fight that was to culminate in Vare's overthrow inevitably followed the May primary of 1934. For this political contest again revealed Vare's weakness, and this was important to those of the fifty ward leaders who had to be convinced that Vare was through. Congressman Waldron had been approved by Vare, and Vare only, for a second term in Congress. His congressional district comprised thirteen wards, all definitely organization-controlled wards. Vare's pronouncement was made, as usual, without consulting any of the leaders of these thirteen wards. It was particularly resented at this time. Jerome Louchheim, who is now leader-in-chief of the organization and who was then particularly powerful in one of the wards, quickly organized the others into an opposition in order to beat Vare's choice. Eleven of the thirteen ward leaders signed up to support Waldron's opponent. Vare attempted to use the big stick on the unruly eleven, but party

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and political sentiment were against him; he was powerless to destroy. He then made an effort to have Waldron withdraw. Waldron refused and was badly defeated. Vare's weakness was now apparent beyond question to every ward leader in the city.

Furthermore, Edwin R. Cox, the President of City Council, and one of the strongest of Vare's supporters, was a candidate in the primaries for nomination to the office of Lieutenant Governor. He asked for Vare's approval, and is supposed to have received it. But Vare actually and publicly repudiated Cox and supported Harry B. Scott. Cox, who is a man in his own right and a highly esteemed public official, then and there determined to have Vare counted out for all time. He combined with the leaders who were working for Vare's extermination, in a way which I shall presently describe.

As I have said, Vare accepted little outside advice. Even in his darkest hours following his stroke, he made his own decisions, or accepted advice chiefly from his daughter Beatrice, and, after she married his personal physician, Dr. Shaw, from her husband; and to a lesser extent, from his wife, Mrs. Vare. The influence of his family was so pronounced that the term "petticoat government" was often heard. That Vare was going to continue to arrogantly refuse to share his responsibility with others was again demonstrated in June. He had been elected a member of the Republican National Committee in June 1933, but was unable to attend the June meeting in 1934. As his proxy, he did not send Senator Reed, or any other person in public life, but instead he sent his son-in-law, Dr. Shaw. Even Vare's closest political allies resented the choice.

The 1934 primary provided the machinery as well as the steam for the successful revolt, and those who aspired for power took advantage of it. It might be well here to describe in some detail just what the machinery is in a battle of this sort. It is the body of contact men in politics. In Philadelphia they are called division leaders. There are two division leaders in each of the 1283 divisions that comprise the fifty wards of Philadelphia. They are the base of the party pyramid, standing between the voters below them, whose personal needs they often

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satisfy, and the ward leader above them, who is personally responsible to the leader of the organization. After these division leaders are elected, they meet in their respective wards and elect a member (the ward leader or his personal representative) to the City Committee. Because of the ward leader's control over patronage he can often determine the outcome of division contests.[4] The newly elected City Committee then meets to pass upon the credentials of its members, and to elect

[4] The vital importance of jobs to a party organization should be noted, for they are not only the backbone of the organization, but the heart that keeps it going. That their significance was clearly understood by David H. Lane, "the Peerless Leader", is most natural (but that we should have his best thought on this matter explicitly reported in a newspaper is decidedly unnatural). In the heat of the 1901 campaign in Philadelphia he told the committeemen of the 19th ward the stuff of his thinking on this key subject. His masterly statement as reported in the *Public Ledger* of October 7th of that year, follows:

"The cohesive power of the organization is offices. We have 10,000 office-holders, and they are all ours. Under the present administration no man can get an office unless he is loyal to the organization. Only today the organization voted $40,000 for tax receipts. How could we do that if we didn't have the office-holders? If you want office or preferment in political life you will have to get it through the organization. The office-holders are the backbone of the organization. We have all of the office-holders and we want to keep them. Poles, Hungarians, Italians, and other foreigners, when they come here vote the Republican ticket. Why? Because we have the offices, and they expect favors from office-holders.

"In New York they vote for Tammany for the same reason. Our organization bears the same relation that Tammany does to New York. If we would keep these voters we must retain control of the offices. Foreigners know that they can not get favors except through our organization. It is especially important that we should elect the District Attorney, not because Mr. Weaver is a candidate but because there is great power in that office, and it is to the advantage of the organization to have a friend in it."

Later this same leader said: "The ownership of the offices means the power for distributing patronage and for conferring favors upon citizens generally who in return will support the organization. It is through this far-reaching power that the great Republican Party is given its majority in this city and state. Without the offices this great organization would crumble and fall." And a member of Mayor Moore's cabinet, an old and seasoned ward leader, put the same proposition into his own words in 1932. "Jobs, of course, is the basis of it all. That is absolutely the basis of it. Where would the organization be without places?" I need not add that this question of patronage is particularly urgent to the Republicans now (1935) for the Democrats have captured some important posts and have an even chance of winning more. It follows that the future of the Republican party depends in large measure on its ability to obtain jobs for its workers.

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a chairman. This chairman had long been James M. Hazlett, Recorder of Deeds and personal ambassador of Vare. So long as his man was chairman, Vare was the boss; when his representative could be forced out, Vare's power would be gone.

As I have said, the primary provided the machinery for finishing Vare's rule; and those who aspired for power took advantage of their chance. Jerome H. Louchheim put up $65,000 with the anti-Vare factors on the City Committee. When this money was given out in the fifty wards no equal protection clause was observed. The money was used to elect ward committeemen opposed to Vare's leadership. For example, the powerful Councilman Harry Trainer, leader of the 3rd ward and prominent member of the new combine, was plotting to take the scalp of Victor Hamilton, the Vare leader of the 7th. Therefore, the primary money was turned over to a Trainer lieutenant in the 7th, who distributed it among the committeemen willing to elect Trainer's choice to the City Committee. Most of the committeemen followed the cash. So when the ward committee of the 7th met, Trainer's man was in the saddle.

The same tactics were followed in the 30th ward where Vare's colored lieutenant Asbury was defeated for re-election to the City Committee and a Negro sponsored by Trainer was elected in his place. In the 43rd ward, Jimmie Clark, President of the County Commissioners, and a Vare loyalist, was defeated by Councilman Daly. The latter was opposed to Vare, and the money went to him. There were fights for ward committeemen in three other wards, and Vare supporters won two, while the opposing group was successful in the third.

In theory, the elected members to a ward committee are free to choose whom they will as the ward's representative on the City Committee. In reality these ward committeemen are jobholders or they want to be, and they vote as "order men"—according to the instructions of the appointing power. (In the old days Vare would introduce his candidate to the ward committee with the remark, "Here is your ward leader—elect him.") Prior to the election of members to the City Committee in this particular election, Arthur D. Brenner, Receiver

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of Taxes and loyal to Vare, threatened to fire any of the employees under him who failed to support Vare men for re-election to the City Committee. This led Edwin R. Cox, President of City Council to get the Finance Committee to report favorably on a long-pending ordinance to transfer supervision of 140 water-meter readers, inspectors and clerks from the Receiver of Taxes to the Bureau of Water Department of Public Works. Brenner's hand was stayed—the four anti-Vare committeemen were elected.

However, the insiders thought that the straw that finally broke the camel's back, so far as Vare's supremacy was concerned, was Hazlett's failure to save the County Comissioner, Clark, from defeat. (These two men are personal enemies but both were steadfast Vare lieutenants.) Clark lost his fight for re-election by two votes; had Hazlett—who held the power over jobs—applied pressure, he might have saved Clark, and weakened the fight against his own seat as Chairman of the City Committee.[5]

Thirty of the fifty city committeemen (ward leaders) were claimed for the insurgents by Judge Harry S. McDevitt on June 5, the day before the annual meeting of the City Committee. The series of defeats (indications of the leader's weakness) since Vare's stroke in 1928 had a cumulative force great enough to blot out fear of reprisals, and to change loyalties as houses long lived in are changed after a fire or a flood. The

[5] Much of the detailed under-cover work in throwing over Vare was done by ward leader XYZ, leader of the XYZ ward, and one of the city's twenty-two councilmen. He had opposed Vare in 1933 by campaigning for the lucrative Register of Wills post. He based his campaign plea on "No More Vare". He polled 48,900 votes, spent $15,000 and was defeated. He said that Vare had made a mistake in "letting him go away mad." "I spent $15,000 in the primary, and Vare never said a word about making it up. Vare was too damn tight. He fought Earle, Penrose's candidate for mayor in 1911. When Earle was nominated, Penrose called for Bill Vare and said, 'How much did you spend?' Vare thought that he had spent about $250,000. 'All right,' said the Senator, 'I will give you my check.' Bill Vare never did this to me. I worked with Brownie [Judge Charles Brown]. Louchheim put up the money. I rounded up a majority of the City Committee. One day Eddie Cox asked if I had been hearing anything. I said that I had. When I told him that we already had a majority for the new leadership, he agreed to serve as chairman. He was sore because Vare had not supported him for the lieutenant governor in the primaries." (Interview at the home of XYZ, August 30, 1934.)

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feeling of despair and resentment, too, was so expertly organized that when the committee met even the faithful knew that the fight to save the Old Boss had at last failed. Sheriff Richard Weglein spoke for Senator Vare's friends when he asked Mr. Hazlett to withdraw as candidate for re-election as Chairman of the Republican City Committee. Hazlett agreed, saying, "All you gentlemen know that after all, I put every personal ambition aside for party unity."

Councilman Trainer did not want the post and at a secret caucus, attended by thirty-two ward leaders opposed to Vare, arranged for the election of Cox. Promptly after Hazlett withdrew, Councilman Edward A. Kelly, newly elected committeeman from the 34th ward and legal counsel for Vare in his fight before the United States Senate, placed Councilman Cox's name in nomination. He was elected unanimously.[6]

When Vare, who was convalescing at his Atlantic City home, heard about the collapse of his political power he did not appear surprised. He merely remarked, "I have no comment." Two months later he died of a heart attack. He had never acknowledged defeat, and although his family were protesting at the "huge drain on their treasury for the up-keep of the party without compensating return", Vare himself was planning a come-back. His unshakable courage was still unshaken. It was death that interrupted his plans.

About two weeks after Vare's defeat, a banquet was given to Edwin Cox, who in addition to being the President of City Council is also Vice President of the Atlantic Refining Co. General William W. Atterbury, the President of the Pennsylvania Railroad, was there, and congratulated Cox and his associates on the new leadership. Zimmerman of the U. G. I. (the gas utilities), bankers, and representatives of great economic interests also attended. As one recognized the personification of special privilege at the banquet table, he was reminded that Vare had defied Atterbury in the mayoralty campaign in 1931, and that it was a Vare stalwart, Senator Sam Salus, who had plainly told Elisha Lee, Vice President of the

[6] This group who had seized control of the City Committee also unhorsed Miss Marion Pyle who had given a lifetime of service to the Vares and who had been in control of the women's organization.

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Pennsylvania Railroad to keep out of Philadelphia politics. But the big money is hard to keep down. The weakest ward leader knows that "dough is boss", and that even a ward leader is nothing but a straw man unless he has a "bundle" (money) or is allied with someone that has. Metropolitan democracy has not substituted ballots for bullets, but dollars for bullets. Ballots only rarely and for brief stretches of time go against the political armies with the greatest war-chests.

When Cox was made Chairman of the City Committee, he bravely said that he would be chairman of the whole committee, "and shall under no circumstances be dominated by any individual." This fine statement is about as reasonable to believe as the assertion that all voters are equally powerful in a democracy, and that one man's political influence is as great as another's. There are both giants (a few) and pygmies on the City Committee, and all history shows that the giants will bulk large in the forming of policies and the preparation of slates. In any great institution—political, religious, commercial—there must be someone capable of saying "yes" and "no". Cox is chairman, but Trainer, who is politically shrewd, wealthy and can quote Shakespeare accurately (particularly Richard III), might have had the job in the spotlight had he desired it.

And then there is Charles Brown, President Judge of the Municipal Court, a politician with a Cardinal Richelieu complex. He is not only one of the most politically astute leaders in Philadelphia, but as President Judge he controls hundreds of desirable court positions. These jobs are a compelling whip, and even though a bar primary votes against him as it did in 1933, the electorate votes for him. His offices in City Hall are visited by strings of ward leaders coming and going. He hears each one privately and makes a brief comment—"His advice is good."

Shortly after the change in leadership he appeared to be the liaison officer standing between the ward leaders (of which he is one) and Louchheim and the utilities. He is, of course, a lawyer, though since boyhood he has had no preoccupation other than politics. He is fairly tall and slender,

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with a small head and alert, seeing eyes. He is just as much at home in the rough-and-tumble politics among the Negroes and whites of his ward as he is in making a brief address at a formal banquet at the Bellevue Stratford. He had served in the state legislature before Penrose made him a judge. One story can serve to illustrate his attitude quite as well as would a hundred. One of the judge's ward committeemen was defeated some years ago when he first tried to win election to the party committee. A month later he asked His Honor to put one of his constituents on probation for a year instead of sending him to jail. The judge quickly retorted, "You were beaten at the primary. Win your division, and then I'll talk to you." His biggest personal problem just now arises from the fact that he is on the bench. Philadelphians do not like to think of their judges in politics and the newspapers are kind to the judges that are. It is only in personal conversation with those who know the facts that the importance of Judge Brown to the new leadership is made manifest. Jerome H. Louchheim, millionaire contractor, friend and ally of General William W. Atterbury, is the financial angel of the new leadership. And in politics as in the gentler field of music, he who pays the piper, calls the tune. Louchheim is sixty years of age; his stock-breeding establishment in Maryland is said to be one of the finest in the world. He does not desire political office, he says, but he will give advice to the new political leaders should they ask for it.[7]

[7] Even during the days following Vare's defeat there were some unreconstructed Vare leaders who remained outside the fold or who "had to be shown" before they unequivocally accepted the Louchheim-Brown-Cox-Trainer leadership. Senator Sam Salus was one of the most powerful and resourceful of these and his influence was increasing until the spring of this year, when he was disbarred for professional misconduct. Sheriff Richard Weglein is probably the one most capable of providing leadership for the scattered Vare leaders who have not become committed to the new régime. Councilman Clarence Crossan and Recorder of Deeds James Hazlett are in this coterie. Today (May 1935) there are a number of leaders, but there is no towering Penrose or Vare among them who can charge the imagination of either the voters or the ward leaders. The Republicans in Philadelphia are not accustomed to party defeat and their morale is low. At present they are casting about and hoping that mistakes made by the Democrats, and their resulting unpopularity, will bring about a revulsion of feeling in favor of the Republicans. The man or the

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Edmund Burke told the electors of Bristol in 1780 that "my canvass of you was not on the 'change', nor in the county meetings; it was at the customhouse; it was at the council; it was at the treasury; it was at the admiralty. I canvassed you through your affairs, and not your persons." And these electors rejected Burke.

Now Vare never made this mistake. He and his city-wide organization canvassed his constituents in Philadelphia through their persons; and for forty years, save for rare interruptions, the Vares received the support of their sovereign—the voters of America's most aristocratic city. What a politician does to capture the attention of his electorate cannot be evaluated until one learns of the electorate's response, the votes cast on election day. If the leader's appeals are those that win majorities or pluralities at the ballot box year after year, then one can mark that leader's conception of human nature in politics as realistic.

A political boss is a natural phenomenon and not a legal creation. To describe him one inevitably describes the environment that produced him. Vare was the prototype of these Philadelphians—the controlling majority—who preferred to live peacefully under a boss rather than fretfully under a reformer. He never pretended to be a preceptor in ethics, a Savonarola fighting social injustice, a crusader tilting at economic wrongs. He was a champion of the existing order, and, until the Great Depression, his people were too.

His life was more like a Horatio Alger story than any that Alger ever wrote (Alger, in failing to write about politicians, neglected his richest materials in American life). From an obscure beginning, through incessant toil, a flair for judging

group that names the next mayor will be powerful, but who this will be cannot be known at this time, and, besides, the Democrats may win. Furthermore, Louchheim is more the financier and less the politician type. He helped finance the anti-Vare revolt but unless Philadelphia obtains money from the federal government to spend on contracts there is no point, as one leader remarked, "in Louchheim putting up money to control an administration that would have no money to spend." Both in the nation and in the city of Penn and Vare the Republicans lack leadership and morale. There is often conflict rather than coöperation; there is an unwillingness or an inability to act in accord with these new times.

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the drift of public sentiment and the temper of men, a word unquestioned in personal dealings, and an invincible spirit, he became more than a millionaire, the Boss of a great city.

Philadelphia will have a boss until the political duties imposed upon her citizens are reduced so much that these citizens can satisfy their political obligations unaided; or until Philadelphians become so educated that they will demand (and receive), as a right, from their official government, the security and service that the politician now gives as a favor. The boss bridges the gap in the Great Society between the unseen environment on one hand, and the inadequate citizen on the other. So long as there is this gap, there will be a boss.[8]

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[8] And of course it is incontestably true that the price of good government is not only an alert citizenry, but also an organized citizenry—a citizenry organized right down into the wards and divisions even as the professional politicians organize. For as Burke once said, "if bad men combine, good men must associate", or to quote a contemporary writer:

"This opens the question to be considered, the cause of political parties. People often discuss whether they are a good or an evil. In fact they are both; for they are groups, and exhibit the tendencies for good and evil that all groups possess to a greater or less extent. The essential point for our immediate purpose is that under normal conditions they are as inevitable as the tides in the ocean. Small bodies of water have no tides, but in large ones tides exist whether we want them or not; and in like manner the existence of parties is greatly affected by the size of the political community, that is by the number of people called upon to form a collective opinion on questions of policy or candidates for public office. . . .

"The reason why the necessity for political party increases with the size of the community is to be found in the fact that the larger the number of minds the greater difficulty of procuring an agreement among them, or a majority of them."—A. L. Lowell, *Public Opinion in War and Peace*, Chapter 4.

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BUDGETARY PRINCIPLES

IN American literature dealing with government budgets, one finds very little discussion of either the theoretical aspects or the fiscal implications of budget-making. A survey of the literature in the period beginning with the turn of the century and extending through the first few years of this era reveals that some authors did show their desire to bring questions other than those of technique and procedure to the fore. But the national government as well as the states and localities were laboring with undeveloped budgetary systems and political scientists had a poor background upon which to elaborate their theoretical discussion.[1] The subsequent launching of the reform movement in America by those whose attention was directed toward constitutional and political aspects placed the emphasis on problems of sound and efficient government. Furthermore fiscal conditions were perhaps too favorable to foster a desire to investigate the financial and economic elements involved.[2] Budget reforms are either still being carried on in many states or have only recently been realized, so that the contemporary contributions are of the type characteristic of the early reform period or represent guides and manuals of procedure and technique for the aid of those who are enlisted in the cause of correct financial administration. Very little interest is given to the financial effects of these budgetary procedures,[3] and one is, therefore, not surprised to find American authorities neglecting the systematic treatment

[1] A characteristic example of this type of study is E. E. Agger, *The Budget in the American Commonwealth* (New York, 1907).

[2] Representative of this group are the publications of the Institute for Government Research, *Annals of the American Academy of Political and Social Science, Public Budgets*, vol. LXII (Nov. 1915), and E. A. Fitzpatrick, *Budget Making in a Democracy* (New York, 1918).

[3] The most comprehensive contribution of this nature is A. E. Buck, *Public Budgeting* (New York, 1929). A recent study by Buck, *The Budget in Governments of Today* (New York, 1934), appeared after this article was written.

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of so-called budgetary principles. The science of public finance proper in this country has shown little eagerness to cultivate the budgetary field.

It is true that some authors have incidentally expressed views similar to the theoretical principles discussed below or have, in dealing with related subjects, advanced opinions resembling these ideas. But there is no utilization of them as a conscious starting point or as a mode of approach for the study of budgets. It is the European writers who have developed and employed these principles. European students seldom treat budgetary ideas except in terms of such rules (*Grundsätze, règles*). It is the purpose of this study to review their contributions critically and to present them for future use in an effort to stimulate an interest in the philosophy of budgeting.[4]

As might be expected, these principles first appeared in the form of statements of essential qualities which budgets should possess. Such desiderata we find outlined as early as 1885 by Léon Say, who designates "four qualities as the essential qualities of a budget: (1) the budget must have unity; (2) the budget must be annual; (3) the budget must be made in advance; (4) the budget must represent an accounting personality."[5] Stourm, recognized as an authority of his time, likewise enumerates the "qualities which a budget should possess", adding that "the list would be almost interminable".[6] This value-judgment emphasis of the principles has been retained, most authors being content to restate them as requisites of sound budgetary practice. This is done either by merely expressing the belief that they are essential requirements or by explaining the reasons for the inclusion of each particular maxim. Jèze, whose researches on budgets have earned widespread recognition in the academic world, takes the twofold attitude of stating his principles in axiomatic fashion and also carefully considering their justification according to his view of the im-

[4] See E. Lorini, "La Scienza delle finanze e il bilancio", *Giornale degli Economisti*, vol. XL, pp. 677-90 (1910).

[5] Quoted in R. Stourm, *The Budget* (translation, New York and London, 1917), p. 145.

[6] *Ibid.*

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portance of each particular principle.[7] His colleague Professor Allix stresses the belief that these rules are indispensable if the budget is to fulfill its function.[8] More indicative of the general attitude taken toward these principles is the fact that they have gone through a natural selective growth and that they now command an unquestioned and traditional place.[9]

Critics have been extremely rare and there has been little inclination to question the value of the accepted ideas.[10] One recent critic, Professor Neumark, claims that there is no reason to assume any inherent truth in the established principles. In each particular application they must be treated as postulates requiring defense and justification. The principles should be arrived at in each case by a logical development of the elements involved, including the political system of the country as well as the current fiscal theories. In this fashion a large amount of conflict and confusion may be avoided. We are told, for

[7] Prof. Gaston Jèze of Paris published his first extensive study of budgets in 1910 under the title *Traité de science des finances—Le Budget*. A second study, *Théorie générale du budget*, appeared in 1922 as Volume II of the sixth edition of the *Cours de science des finances et de législation financière française*, but has not been included in subsequent editions. An authorized German translation, *Allgemeine Theorie des Budgets* (edited by Fritz Neumark, Tübingen, 1927), may be considered as a revised edition. This paper will refer to the German edition unless otherwise noted.

[8] Allix, *Traité élémentaire de science des finances* (Paris, 1931), p. 151. "Tous ces règles ont pour objet d'assurer au Parlement l'exercice de ces droits financiers, d'introduire la simplicité et la clarté dans les comptes et de multiplier les contrôles et de preserver de toute suspicion les fonctionnaires publics; en un mot, d'empêcher les irrégularités."

[9] Walther Lotz, *Finanzwissenschaft* (Munich, 1931), p. 125: *Moderne Grundsätze der Budgettechnik* — "So sehr auch politische Momente die Art der Behandlung der Budgetfragen verschieden beeinflussen, so haben doch einige Grundsätze im modernen öffentlichen Haushalt sich überstimmend nach längerer Entwicklung und manchen Kämpfen durchgesetzt". Also Fritz Neumark, *Der Reichshaushaltplan — Ein Beitrag zur Lehre vom öffentlichen Haushalt* (Jena, 1929), p. 122: "Die Frage nach dem Wesen der Budgetgrundsätze ist im einschlägigen Schriftum bisher, soweit wir sehen, expressis verbis weder gestellt noch erörtert worden. Das mag damit zusammenhängen, dass die meisten dieser Grundsätze als solche traditionale Anerkennung finden und für Selbstverständlichkeiten gelten."

[10] B. Baudin, *Le Budget et le déficit* (Paris, 1910), provides one of the few criticisms of these vague "principes intangibles . . . fondés sur la raison pure" (p. 244).

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example, that the principle of publicity holds good only in political units enjoying democratic government. The existence of widespread exceptions to and violations of his own principles does not alter Neumark's standpoint. Just as the principles themselves must be justified in every case, so must the infractions. In keeping with changing economic, fiscal or political conditions, various new policies and procedures need to be introduced. It is clear that this conception of the principles denies the validity of any value-judgments which one might attribute to them. Yet for Neumark there are certain fundamental purposes and functions which every budget must fulfill, and in so far as a budget is judged by these basic requisites one apparently cannot completely eliminate "*Werturteile*". For example, the function of making possible the measurement and attainment of an equilibrium between revenue and expenditure is so vital in every budget that it is necessary to attribute universally to those principles which affect the balance problem some importance as well as approval.

Nevertheless, since no student should deal with these principles unless he has already proved their relevancy to the budget under study, one is inclined to accept the view that the principles are primarily descriptive. There are features of governmental activity and policy which all collective societies have in common and the approach from a descriptive rather than an evaluative viewpoint will not greatly alter any of the principles except perhaps those referring to parliamentary procedure and customs. There is ample precedent for the claim that the science of public finance can best be served by restriction to positive descriptive studies. Only as far as pure theory and matters of fiscal policy are concerned need one stress any subjective value-judgments.[11]

Because they treat them as canons, few of the authors appear to notice the most obvious feature of the principles and their use; that is, they do not deem it necessary to elaborate upon the fact that these principles, apart from being rules of the game, have great value as a framework for descriptive studies of the

[11] For further discussion consult B. Moll, *Probleme der Finanzwissenschaft* (Leipzig, 1924).

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budget. In studying a budget system one has a great many different types of questions to consider and if one proceeds at haphazard the result is a confusion of legal, constitutional, political, administrative, technical, fiscal and economic subjects. The author taking a definite stand regarding his primary interests can adhere to his viewpoint in a consistent and logical manner by handling only those principles which are relevant to his approach.[12] In general, the essence of any analysis or comparison of budgets is the problem of seeing the budget in relation to its background in the fiscal system and in the wider problems of a particular government. For such purposes it is desirable to use these principles as norms for description and comparison.[13] If the writer follows the orderly arrangement of these principles the reader knows whether it is a problem of fiscal policy, political machinery, formal budgetary array and procedure, or some other feature, which is being considered.

The principles which are most frequently encountered are those of comprehensiveness, unity, non-assignment of revenues, prior authorization, specification, annuality, accuracy, clarity, publicity and exclusiveness. Before beginning a survey of the individual elements of each it is expedient to explain the systems which have been developed for classifying these principles.[14]

[12] For example, Jèze makes it clear that he views the budget as a political instrument of control and action (*Allgemeine Theorie*, p. 7). But he is only partially successful in carrying through this viewpoint consistently.

[13] Under the stimulus of Jèze and Allix, there has been published in France a series of works which analyze French budgets from the point of view of the principles. Among recent studies is a thesis by S. Milatchit, *La Règle de l'unité dans le budget de l'État français* (Bordeaux, 1932), and M. G. Geny, "La Règle de la non-affectation des recettes aux dépenses publiques dans le budget de l'État", *Revue de Science et de Législation Financières* (Paris), vol. XXX, pp. 175-218 (April–May–June 1932).

The present writer has prepared a comparative table on the "Budgetary Systems of Certain Countries as of January 1, 1934", published in *Tax Systems of the World* (Chicago, 1934), pp. 253-55. Arrangement of the material is made according to budgetary principles although tax system data not covered by the principles are also included.

[14] Only two writers, Neumark, *op. cit.*, p. 17, and Johannes Seidel, *Die Haushaltpläne der deutschen Gemeinden* (Jena, 1933), have made specific reference to this question. Seidel claims to find a basis, which we believe is unwarranted, for reading into the study of Jèze a similar feature.

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Jèze deals in Part II [15] of his book with "The Duties of the Executive and of the Legislature in Financial Matters" and includes under this heading the principles of non-assignment and specification of revenues, specification and prior authorization of expenditures, and annual voting of revenues and expenditures. Part III, "Budgetary Procedure", includes the principles of gross budgets, completeness, unity, clarity and references to accuracy and honesty. Those in Part II refer to the respective powers of the executive and of the legislators, while those in Part III are given in answer to a number of questions which the author poses. These fall into three groups: (1) those relating to the material and content of the budget and the methods of handling it; (2) those relating to the division of powers between the upper and lower houses in bicameral parliaments; (3) those relating to the mode of debating and voting the budget in the legislature.[16] Only the questions in group (1) are answered in the form of principles.

Since Professor Jèze makes no formal claim as to the manner in which his principles are arranged, he cannot be subjected to criticism on this score, but it is nevertheless clear that there is no consistent presentation of the material. The first group of principles deals with the duties of the various government organs and the second group can be well considered under the same heading. Likewise the specification of expenditure is unquestionably also a matter of budgetary procedure. This classification does not aid in eliminating the confusion which is the essential reason for insisting upon any classification at all.

Dr. Neumark uses for his arrangement the currently popular concepts of statics and dynamics; [17] to the former he refers those principles which deal with the budget "in equilibrium", while the dynamic principles are the procedural principles and cover preparation, acceptance and execution of the budget. The complete classification is as follows:

[15] Part I deals with the history of budgetary practices and with the budgetary functions and contains no formulated principles.

[16] Jèze, *op. cit.*, p. 214.

[17] Neumark, *op. cit.*, p. 125.

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Static

a. *Material* { Comprehensiveness; Non-assignment of revenues }

b. *Formal* { Unity; Clarity }

Dynamic

a. *Preparation and acceptance* { Accuracy; Prior authorization }

b. *Execution*—Specification

c. *All Three stages*—Publicity

Recently another German writer, Seidel, has classified the principles in a somewhat different manner, objecting to the methods of Jèze and Neumark.[18] He differs very little, however, from Jèze in that the principles are grouped according to the specific questions to which they respond.

First, we are asked: what should the budget include? This is answered according to the principles of *comprehensiveness* (scope) and *accuracy* (character).

Secondly, in what manner does the budget display the expenditure and revenue items it contains? This is answered according to the principles of *unity, clarity, publicity* and *comparability.*

Thirdly, when is the budget presented? This is answered according to the principle of *prior authorization.*

And, finally, to what extent do the provisions of the budgetary laws limit the action of the various government organs? This is answered according to the principle of *specification.*

These modes of classification are logical but not entirely satisfactory because they fail to answer the purpose for which any artificial classification is made.[19] The practical need is not to present the facts in a chronological order nor in relation to

[18] Seidel, *op. cit.*, p. 169.

[19] A searching analysis of the philosophy of public finance classification is found in H. Guest, "The Classification of Public Expenditures", *American Economic Review*, vol. XX, pp. 37-45 (March 1930).

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the sundry activities which characterize a budgetary mechanism. The primary interest is in arranging the information in such a manner as to make it clear whether the study is concerned with a relation of the budgetary system to the fiscal activities of the government, the manner in which the budgetary methods employed treat the factors it contains, or whether the interest is in the physical appearance of the budget document and the manner in which it is publicized. The classification becomes then:

I. Relation between the budgetary system and the fiscal activities of the political unit

(*a*) *Comprehensiveness*
(*b*) *Exclusiveness*

II. Treatment by the budgetary mechanism of the factors included in the system

(*a*) *Unity*
(*b*) *Specification*
(*c*) *Annuality*
(*d*) *Accuracy*

III. Forms and techniques for presentation of the budget contents

(*a*) *Clarity*
(*b*) *Publicity*

The significance of this classification is made clearer in the discussion of the specific principles, to which we now turn.

I. (*a*) *Comprehensiveness* (or completeness, universality, *Vollständigkeit, universalité*). The basic proposition endorsed here is perhaps the most widely recognized of budgetary principles. Stated in its simplest form the principle is: All government expenditures and revenues must be subject to the budgetary mechanism and must enter into the recognized budgetary procedure.[20]

[20] The notion that budgets deal with, and refer primarily to, expenditures persists in the study and practice of budgeting. The historical evolution of budgetary control with its emphasis on the expenses of the sovereign is no doubt responsible for this. As late as 1917, we are told, "In the U. S. and in Europe one thinks of the budget primarily as a document through which a program

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It is evident that the political function of a budget, namely, the approval by the representatives of the people of executive action regarding fiscal matters, demands observance of this maxim. The conception of a comprehensive budget as an instrument of democratic control has been upheld by many fiscal theorists who fail to realize that the accepted budgetary procedure, with its tendency to enhance the powers of the executive at the expense of the legislature, is by its structure contradictory to democratic theories of government. The reform movements associated with financial administration, it has been pointed out, were achieved "only as a result of a more or less limited negation of the democratic ideal. Limitations upon tax rates and debt totals, budget systems, the commission form of government, the short ballot, the city manager plan, all introduce elements of adulteration into the pure democratic ideal." [21]

More vital than these political ideas is the financial justification for bringing all government income and outgo together in a comprehensive budget. The maintenance of the credit of the state, the prevention of excessive expenditures and, most important, the maintenance of equilibrium, command the congregation of all fiscal factors in the budget picture.

Unlike the other principles having universal applicability, comprehensiveness is useful chiefly in the analysis of national budgets. In the case of political subdivisions the scope of unbudgeted activities, voluntary or otherwise, is usually limited. For national units it is known that semi-public bodies, autonomous institutions or subsidized private organizations often

of expenditures is laid before the appropriating authority." W. F. Willoughby, W. W. Willoughby and S. M. Lindsay, *The Financial Administration of Great Britain* (New York, 1917), p. 266. The same attitude is even more recently displayed in conjunction with a discussion of the scope of budgetary activity. In a popular text one reads: "To be properly effective a governmental budget should be comprehensive, it should embrace every item of government expenditure." W. Shultz, *American Public Finance and Taxation* (New York, 1931), p. 85. It is well known that the United States federal budget procedure and the Budget and Accounting Act of 1921 (L. 20, Stat. 42) place decisive emphasis on expenditures. Similar statements might be made regarding most state budget systems.

[21] A. W. Guest, *Public Expenditures* (New York, 1927), p. 177.

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undertake governmental functions requiring financial operations which should be included in the budgetary system. In certain countries, notably Germany and Italy, the exercise of quasi-governmental functions by the dominant political party raises interesting questions regarding the budgeting of financial provision for delegated functions.

The application of this fundamental notion of comprehensiveness is beset with difficulties which have caused many misunderstandings and complications both in theory and in practice. The first of these perplexities is the issue of "gross" versus "net" budgets. Some writers consider it so important that this problem is given the rank of an independent principle,[22] while others merely emphasize it. We are told that there can be no realization of comprehensiveness, unless the total amounts of both government expenditures and income are included. Still, the financial independence of so many government activities, especially commercial or industrial enterprises, makes it difficult to find a budget which does not display numerous infractions of the gross entry idea.[23]

Further questions are brought up by the inclusion in budgets of activities which are not definitely either revenue or expenditure items, and of items which are not accurately measurable in money. Problems such as these are raised by selling or transferring government assets, loan, credit and banking activities, payments in kind, payments for the account of others, monetary manipulations and countless factors due to industrial activities of the state, e. g., purchases of plant and equipment.

In spite of the numerous complications and exceptions, the principle stands firm. Very little of consequence is known about any budget unless there is an analysis of its scope with reference to the fiscal activities of the government.

In the literature one finds many authors confusing this principle with the principle of unity or with the non-assignment of revenues. In many cases the misapprehension is due to the

[22] "Prinzip der Bruttobudgetierung", Karel Englis, *Finanzwissenschaft* (Prague, 1931), p. 287.

[23] A peculiar and unexplainable error is the confusion of the gross budget idea with that of budgetary unity, as in F. Nitti, *Principi di scienza delle finanze* (Naples, 1922), p. 263.

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fact that authors are fond of pairing the notions of unity and comprehensiveness and discussing them under a single heading. Buck,[24] Graziani,[25] Lotz,[26] Masé-Dari,[27] Moll,[28] Schanz[29] and Willoughby[30] are among those who mention this combination of ideas. There is furthermore a consensus of opinion among these authorities that these concepts together express the fundamental ideas relating to any budget. One cannot, however, accept the view of some writers[31] that the principles of comprehensiveness and unity are of no value unless both are observed together. (At this point, we can briefly define the principle of unity as specifying that all the fiscal material be presented in one single budget so that simple additions will yield the totals of expenditures and revenues.) A system of multiple budgets, incompatible with the concept of unity, may still be in strict accordance with the principle of comprehensiveness. The classification of the principles adopted by the writer tends to indicate that these two notions refer to totally different aspects of the budgetary problem.

I. (*b*) *Exclusiveness* (*Ausschliesslichkeit*). This minor postulate is a corollary to comprehensiveness in so far as it dictates that non-fiscal material be excluded from the budget. It is specifically aimed against "riders". (The English refer to this practice of adding general legislation to the budget, chiefly to the appropriation bills, as "tacking".) Very few authors mention this problem in relation to comprehensiveness.[32] It is featured in the discussion of parliamentary de-

[24] Buck, *op. cit.*, p. 37.

[25] Augusto Graziani, *Instituzioni de scienza delle finanze* (Torino, 1929), p. 87.

[26] Lotz, *op. cit.*, p. 128.

[27] E. Masé-Dari, *Sul Bilancio dello stato* (Torino, 1899), p. 59.

[28] Bruno Moll, *Lehrbuch der Finanzwissenschaft* (Leipzig, 1930), p. 68.

[29] George v. Schanz, "Budget", *Handwörterbuch der Staatswissenschaften* (Jena, 1926), p. 89.

[30] Willoughby, *The National Budget System* (Washington, 1927), p. 67.

[31] Bela Földes, *Finanzwissenschaft* (Jena, 1920), p. 66; also Allix, *op. cit.*, p. 67, and B. Baudin, *op. cit.*, p. 185.

[32] Two who refer to this as a formal principle are Földes, *op. cit.*, p. 68; and Jèze, *op. cit.*, p. 230.

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bates on the budget, and there is a tendency to confuse the budget itself with the political debates which accompany legislative budget-voting. Allix [33] mentions the problem and denies it any validity, emphasizing the fact that the budget is primarily an instrument of control of the executive by parliament. The legislatures can include such material and information as they see fit.[34]

This principle is of little or no value as a factor in the fiscal analysis of budget systems. One is aware of the difficulties involved in defining fiscal activities. Practically every feature of governmental work has some economic or financial implication. Without stretching the imagination, one could justify including almost everything in the budget.

The principles in the second group have to do with techniques. The relationship between the budget system and the government's activities is taken as a given factor. The interest here lies rather in discovering whether the single or multiple budget method is used (unity), whether the budget is executed exactly as voted (specification), whether the mechanism calls for yearly voting and balancing (annuality), and finally whether correctly compiled estimates are given (accuracy).

II. (*a*) *Unity* (*Einheit, unité*). At the outset it must be understood that the question of the physical form of the budget document is not treated at this point. The concern is with the use of various devices to divide and separate some of the material in the system from the regular or ordinary budget. It is here a problem of procedure and of mechanics rather than one of printing, publishing and binding.

The principle of unity is nearly always invoked in the discussion of various kinds of minor or special budgets. The most common are extraordinary, capital, annexed, emergency, special and industrial budgets. The political implications of disunity are not as important as the fiscal consequences, for an infraction of the canon of unity does not necessarily affect the political control of finance. However, the fiscal function of

[33] Allix, *op. cit.*, p. 67.

[34] The question of excluding or including the material pertaining to territorial subdivisions is treated below.

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maintaining balance demands a unified treatment of all expenditures and revenue, and requires that no part of the material in the budget system shall be considered as separate or apart from the ordinary finances and accorded a personality of its own.[35] Little argument need be offered to justify the principle of unity for any budget.[36]

The student of budgets soon finds this principle leading him to a study of accounting and financial administration. The unity principle requires that some thought be given to the methods underlying the budget procedure, because unity cannot be breathed into a fiscal system, through budgets or any other device, in which unity does not exist. Adolph Wagner was among the first to recognize that a general fund in the treasury is an essential prerequisite for budgetary unity.[37]

The theorist has little difficulty in justifying on economic, financial or fiscal grounds the breaking up of the budget into separate units. Almost every group of expenditures or revenues presents some feature or characteristic warranting individual consideration. Expenditures are often only temporary investments, offering tangible and measureable profits. The literature of public finance is replete with material which can be used for the purpose of defending extraordinary budgets. Nevertheless, merely carrying to their logical conclusion the arguments for disunity will soon bring realization that independent budgets are, at best, dangerous.

The maintenance of a strict budgetary unit is so generally recognized as a mark of orderly and healthy finances that students of fiscal science associate the nonobservance of this principle with shady and doubtful practices, especially regarding the problem of balancing budgets.[38] Budgetary unity

[35] The separation of the fiscal items into a system of multiple budgets is of no significance *per se*, but an irregular credit or balancing policy usually accompanies a departure from budgetary unity.

[36] Allix, *op. cit.*, p. 174: "La règle de l'unité est plutôt un idéal qui n'est complètement realisé nulle part et qui est diversement apprécié suivant les pays."

[37] Adolph Wagner, *Finanzwissenschaft*, Erster Theil (Leipzig, 1883), p. 237, "Princip der fiscalischen Kasseneinheit".

[38] Allix, *op. cit.*, p. 78; Jèze, *op. cit.*, p. 257; Neumark, *op. cit.*, p. 196. The current Treasury statement form and the last two annual budgets of the fed-

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stands as the ultimate objective for all those who desire to maintain the financial system in order. No study of budgets is adequate unless it portrays the exact manner in which the dictates of this principle are carried out. The complexity of economic activity among present-day governments is such that hardly any budget system, whether of a great empire or of a small city, is free of all violations.

A further important problem appears in connection with the principle of unity. This is the relation of the principal budget to the budgets of the political subdivisions. It is evident that this question arises in the case of every budget except those of the local communities which represent the smallest units of a political system. Jèze treats this issue as a phase of the principle of exclusiveness,[39] claiming that all national budgets should exclude local expenditures from their scope. Other writers link this problem with the ideal of unity.[40] In the case of Russia, the Soviet government has given statutory recognition to this maxim by labeling its budget a Unified National Budget, because it includes those of the subordinate republics. A recent study of the Soviet budget explains that this is in keeping with the correct dictates of the unity principle.[41] It is difficult to accept the inclusion of any specification regarding the treatment of political subdivisions or territorial entities among the cardinal budgetary principles. As far as the descriptive function of the principles is concerned, it is necessary to tell in what manner the division of expenditures and revenues between different units takes place. However, in every particular case the prevailing system of coördinating or separating the different bodies in their fiscal relations must be considered as a given institutional element to which the

eral government have been the basis for accusations that the United States has adopted a system of multiple budgets. For discussion of this charge see "The Emergency Budget of the Federal Government" by the present writer in *American Economic Review*, vol. XXIV, pp. 53-68 (March 1934).

[39] Jèze, *op. cit.*, p. 230.

[40] E. g., Földes, *op. cit.*, p. 65. The author, describing the pre-war Austrian budget, claims that the nature of the Dual Monarchy prevented the maintenance of budgetary unity.

[41] G. Dobbert and Oscar Witt, *Das Einheitliche Staatsbudget der U. d. S.S.R.* (Jena, 1930), p. 42.

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budget adapts itself. If we extend the scope of the budget problem to include the problems raised by the coördinating system of a particular state, we must be prepared to enter into a consideration of endless problems of law, political philosophy, governmental functions, taxation etc. Such aspects of the question as are necessary to give an adequate picture of the status of budgetary matters can best be dealt with under the concept of comprehensiveness. Information with respect to the inclusiveness of the budgetary mechanism from a territorial point of view, as well as from any other, rightfully falls under the first group of principles.

II. (*b*) *Specification* (*Spezializierung, Spezialität, Detaillierung, Gebundenheit, spécialité,* appropriation).[42] In treating this principle authors have carefully refrained from offering specific rules of procedure. Most writers merely describe the different methods which are applied to budgets and discuss their particular advantages and disadvantages.

In its simplest form this principle raises the problem known to us as lump-sum versus line budgeting. Stourm sees the problem as one of defining the proper size of the chapter as a unit in the voting of the budget.[43] Jèze adds the question whether appropriations are mandatory, thus broadening the scope of the concept to include the entire question of the duties and powers of the administrative organs of the government with regard to expenditures. The post-war situation with its monetary and price-level fluctuations has given great importance to the question of how rigidly the budget, once it has been voted, should control the action of the executive. This problem deserves more attention than it has been given.

German writers have in general regarded the question whether appropriations should be voted in detail or *en bloc* as the essence of the problem.[44] Neumark, however, has made

[42] There exists a slight confusion regarding this term. The English word "specialisation" has been used primarily to denote violations of the unity principle, while in German (the foreign word receives widespread usage) the same "Specialisation" refers specifically to the assignment of revenues for designated expenditures.

[43] Stourm, *op. cit.*, p. 300.

[44] Englis, Földes, Lotz, Moll and others.

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a valuable contribution in classifying the problems raised and his analysis can profitably be surveyed at length.[45] Following his presentation, the specification includes:

A. Qualitative Specification. Appropriations are to be expended solely for the purposes specified in the budget. Unless the budget is followed within reasonable limits, its fiscal as well as its political functions are compromised. Here, as in other questions of principle, one is always aware of the conflict between those who defend the political purposes of budgetary procedure and those who see the economic and fiscal factors restricted in a manner which hinders efficiency and economy. Transfers (*virements*) of appropriations from one item or one department to another are both condemned and defended; budgets are criticized because they go too far and because they do not go far enough. It is not surprising that authorities have not seen fit to stress any definite requirements in this matter.

B. Quantitative Specification. According to this rule, expenditures are allowed only when, and to the extent that, funds are provided in the budget. Violation of qualitative specification by diverting funds from the purposes for which they have been voted does not necessarily affect the budgetary equilibrium. Disregard of quantitative specification does affect it. New expenditures or expenditures in excess of authorized amounts disturb the budgetary equilibrium directly. Since they throw the budget out of balance, infractions of the quantitative maxim are of great consequence.

The literature on this subject does not insist upon strict adherence to the principle; one is rather impressed with the inevitability of deviations. Neumark develops the rules which he considers should be followed in handling unforeseen elements. One is led to analyze supplementary, additional or rectification budgets as well as the various modes of bringing into the budgetary mechanism unexpected contingencies, consideration of which cannot be postponed until the beginning of a new budget period. The economic crisis has made this feature one of the most prominent of all our budgetary prob-

[45] Neumark, *op. cit.*, pp. 297-347; *cf. supra*, pp. 241-42.

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lems. As revenue yields fail to materialize and new demands for government aid are made the budgetary mechanism must be able to cope with the new developments or it will break down. It is not necessary to point out how vital it is to know just in which way a particular budget system copes with these factors. No system is of value if it does not provide the necessary techniques for making changes and revisions during the course of the fiscal period. A study of our national and state budgets from the quantitative specification point of view would show that in many instances a fatalistic attitude is taken toward a budget, once it has been accepted.

Another aspect of the specification principle, as Neumark sees it, is the time factor, requiring that expenditures be made or incurred only during the period for which they were authorized. In this connection Neumark discusses methods of closing the fiscal period and allied questions relating to the continuity of the budget. Most important among these is the question of the cash and accrual methods of budgeting. The former system, used chiefly in the United States and England, is in marked contrast to the traditional French accrual method. Each budget year (*exercice*) is given an individuality and "lives" long beyond the actual calendar. Another interesting procedure is the use of regular prolongation periods, as in Italy, for adding several months to the budget year for the conclusion of outstanding and uncompleted business. It is evident that every budget should be analyzed in order to clarify the particular methods employed in relating one budget period to another.

The wide range of new factors which Neumark's definition of the specification concept brings into view gives this principle an importance not inferior to the cardinal problems of comprehensiveness and unity. Authors who attempt to work merely with accepted ideas of correct procedure will encounter difficulties; but for the purpose of offering an approach for study and analysis this principle will prove invaluable.

II. (*c*) *Annuality* (*annualité, Jährlichkeit*). The length of the budgetary period is a primary feature of every system and the problems related to it have been grouped under this

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principle. The term "annual" is unfortunate. It has distracted attention from the real issue to a defense or criticism of the year as a specific unit of measure for budgetary purposes.

Unlike other early principles which have survived with increasing popularity, this one has had a checkered career and is at present at a low ebb of popularity. This is easily explainable because no one has ever been quite sure just why the year was taken as the normal budget unit. Stourm [46] tells us little when he observes that "this period corresponds with the customary measure of human estimates". Two more definite reasons are frequently given.[47] A year appears to be the "maximum of time over which legislatures can afford to give the power [control over the purse] out of their hands and the minimum of time which executives need to put the budget into execution". After surveying the factors involved, Stourm concludes that "the budget by its very nature must be annual".[48]

The fiscal factors involved are the advantages or disadvantages of changing policy at frequent intervals, and the problems related to estimating. In favor of short intervals it is said that revenue estimates are very difficult to compile for lengthy periods in the face of fluctuating economic factors. On the other hand, there are strong business arguments for longer budget periods as safeguards against financial uncertainty. The widespread use of biennial budgets by state governments in the United States is doubtless due not so much to any fiscal theory as to the political fact that in certain states the legislatures hold biennial sessions. During the current economic crisis many states have encountered no small amount of difficulty with two-year budgets.

The student will find that the length of the fiscal period will have important bearings on two problems of public finance. One is the question of balancing; the most facile way to achieve equilibrium is to postpone the adjustment of revenues to ex-

[46] Stourm, *op. cit.*, p. 319.

[47] Allix, *op. cit.*, p. 228, also maintains the year to be the correct budget period simply because, as he tells us, "L'année est en effet un cadre, une division de temps qui répond à nos habitudes de calcul."

[48] Stourm, *op. cit.*, p. 334.

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penditures until compensating factors can make themselves felt. The present crisis has not failed to produce suggestions and in some cases definite action along these lines.[49]

The second problem is that of defining ordinary and extraordinary items. The decision regarding these matters vitally affects the fiscal policy of many government units whose loan and tax decisions rest on a differentiation between normality and abnormality. Difficulty arises when one has to defend the necessity of regularly opening and closing the budget on the assumption that the various activities of the government have the regularity of the earth's revolutions around the sun. The irregularity of an expenditure is easily removed by lengthening the working period, though it is evident that extension of this expedient would bring wars, revolutions and even historical eras into the field of regular events.[50]

The acceptable view of this principle appears to be that while "annuality" can hardly be regarded as a major principle, the length of the budgetary period is a feature of budget procedure which deserves careful consideration.[51]

It will not be out of place to digress from our survey of the principles in Group II in order to explain the omission here of a principle which has received considerable attention. This is the principle of *prior authorization* (*Vorherigkeit, Vorherigen-Genehmigung, autorisation préalable*), that is, the rule that all the expenditures (and sometimes also revenues) be voted and authorized before their execution. The budget should be a project and not an audit of past, or an approval of

[49] *Vide* Robert Murray Haig, "The State of the Federal Finances", *Yale Review*, vol. XXII, pp. 234-51 (1933); Harvey L. Lutz, "Budgets, Bonds and Ballots", in *Facing the Facts* (New York, 1932), pp. 37-71; E. R. A. Seligman, "The Fiscal Outlook and the Coördination of Public Revenues", POLITICAL SCIENCE QUARTERLY, vol. XLVIII, pp. 1-22 (March 1933). The 1935 Budget Message of President Roosevelt indicates that a cyclical approach to the balancing problem has been accepted by the Administration.

[50] A. Schäffle, "Zur Theorie der Deckung des Staatsbedarfes", *Gesammelte Aufsätze* (Tübingen, 1886), vol. II, pp. 241-311.

[51] Neumarck, *op. cit.*, pp. 50-52. The author does not include this among the budgetary principles but discusses the problem under budgetary legislation. Our emphasis on the principles as guides for research rather than as canons of action does not conflict with Neumark's view, but allows us at the same time to include the budget period among the major principles.

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present, events. To those who seek to make of the principle a rule of procedure it is presented as an idea which is self-explanatory in the definition of a budget and which it is essential to follow if the political function is to be fulfilled.[52]

Two distinct problems are related to this principle. The first is the question of expenditures which are made during the fiscal period without having received recognition in the voted budget. The reader will recall that this aspect of budget procedure was considered in relation to the principle of specification and its omission here is therefore justified.

The second question relates to arrangements for voting the budget or otherwise presenting and accepting it before the beginning of the period to which it relates. It is equally clear that this problem can be included in the scope of the principles just dealt with. The annuality notion can be said to contain this aspect of the time factor as well.

In support of our belief that there is no important basis for a value-judgment in this principle of prior authorization, it must be recalled that as far as national budgets are concerned there are two schools of thought. The American government, with its ample margin between the end of legislative deliberations and the beginning of the fiscal year, offers an outstanding example of the first group. The English are in the other camp, and do not recognize the need for voting a budget prior to the beginning of the fiscal period.[53] The French have made such habitual use of "provisional twelfths" (*douzièmes provisoires*) that they have ceased to have any character of abnormality. The Italians likewise have a system of *dodicesimi provisori*. In justification of such practices it may be argued that prior authorization of an annual budget requires a kind of long-range forecasting which is not always accurate. Often it seems expedient to await some indication of the magnitude of anticipated yields from revenue measures before determining definitely the expenditures for the year. Revenue prospects are best estimated close to the time of the actual levy. Especially in periods of economic fluctuation it has proved disadvan-

[52] Allix, *op. cit.*, p. 216; Neumark, *op. cit.*, p. 284; Jèze, *op. cit.*, p. 189.

[53] English procedure is clearly described in J. W. Hills and E. N. Fellows, *British Government Finance* (New York, 1932).

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tageous to estimate revenues long in advance of the fiscal period.

On the other hand, postponement of the final determination of the budget and the substitution of provisional or makeshift fiscal devices may in some cases imply a relaxation of legislative control, an increase of executive power. For this reason some students of budget problems have been hesitant about approving any deviation from the principle of prior authorization. Here again, however, if the descriptive rather than the normative function of the principles is emphasized, the defective elements in the traditional procedure can be more easily revealed.

It can, therefore, be concluded that since its significant features are treated elsewhere among the principles, and because of the doubtful validity of its use as a guide to budgetary procedure, the rule of prior authorization need not be ranked as an independent principle. To do so would but add needlessly to the confusion and disorder which characterize any attempt to analyze the really basic factors of a budget.

II. (*d*) *Accuracy* (exactness, *Genauigkeit, Ehrlichkeit, Realität*). The principle of accuracy would appear to have a bearing on all the features of a budget system, but in theoretical literature this principle has been strictly related to methods of estimating revenue. It is, furthermore, evident that it is a principle which requires both delicacy and tact in handling, because under much verbiage there is frequently concealed the problem of measuring the honesty and good will of public officials.

French writers have not given this notion of accuracy the status of a leading principle, but they speak of the requisites of wisdom, sincerity and frankness,[54] the need for honesty and vision in the work of preparing estimates,[55] and the desirability

[54] Stourm, *op. cit.*, p. 145; Jèze, *op. cit.*, p. 214.

[55] Jèze, *op. cit.*, pp. 275-76. The French have an unenviable reputation for unnecessary complications which often lead to inaccuracies. Robert Murray Haig's *The Public Finances of Post-War France* (New York, 1928) shows how gross inaccuracies are masked by obscure presentation. More recently the world was amazed to witness the Chamber discussing the question whether or not it had previously voted funds for payment of one of the instalments on the war debt to the United States. *New York Times*, Dec. 20, 1933.

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of avoiding tendencies toward excessive optimism or pessimism. Among German authorities we find many giving this principle precise definition and prominence.[56] They, too, have attempted to make this principle a criterion for behavior. Actually they have succeeded in doing little more than making fervent pleas for honesty and sincerity. A great deal of space is devoted to endless discussion of the temptations which fall in the path of the official who compiles estimates.

There is little knowledge to be gained from the mere statement, no matter how earnest, that scientific methods must be expertly applied and that dishonesty must be avoided if one is to get at the true character of the estimates.[57] It is clear that we are dealing here, as in the case of the annuality principle, with an unfortunate terminology which disguises the true problem. The primary concern is with the nature and usefulness of the methods and procedures involved in compiling estimates.

There are no criteria by which one can distinguish scientific and true estimates from mere guesses or perversions of the truth. The theorists have great difficulty in tracing the line of demarcation between "tinkering" with estimates and legitimate operations. There is, furthermore, no standard definition of the scientific method; the so-called "automatic methods", which allow no chance for any human rectification, are not only unscientific but their use itself most frequently constitutes dishonesty and gross inaccuracy.

There are no accepted standards for judging what is good or bad estimating. From many points of view one could even justify deliberate falsification of revenue estimates as a means of securing economies otherwise unobtainable. One can readily conceive of a condition where a surplus at the end of the year will serve both the political and fiscal purposes of the budget better than "scientific" estimating. There are also cases where limitations in the law call for the display of opti-

[56] Földes, Lotz, Moll, Neumark and Seidel.

[57] Neumark makes a thorough analysis of this principle, as he does of the others, and points out that the connotations of honesty, sincerity and truthfulness are ethical and therefore outside the scope of fiscal science (*op. cit.*, p. 252, note).

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mism. In many states of the Union there are constitutional provisions which prevent borrowing (unless authorized by referendum), except in anticipation of tax receipts. Under such circumstances a legislature which is not called upon or which does not choose to provide adequate revenue to cover expenditures can cause a grave financial crisis unless the executives "hoist" the revenue estimates to meet the needs of the state. For purposes of short-term borrowing the law recognizes the estimates as measures of anticipated tax receipts.

These examples have been mentioned in order to show the difficulties involved in accepting this principle as it is usually formulated. A blanket clause about honesty in all budgetary proceedings need not be dignified as a separate budgetary principle, nor is it wise to take this feature as the chief center of interest in relation to estimates. In our view this principle should focus attention on the methods of estimating revenues and expenditures rather than on the character of the officials in charge.

The third and last group of principles deals with forms and techniques for the presentation and publication of budgets. The principles are clarity and publicity.

III. (*a*) *Clarity* (*Klarheit, Durchsichtigkeit, Übersichtlichkeit, Vergleichbarkeit, clarté*). One may be tempted to agree with those who treat this principle lightly as an obvious and matter-of-course proposition,[58] but a brief examination of present budgetary practices will remove any such inclination. The justification for the inclusion of clarity as a fundamental principle need not detain us very long. No budget system can fulfill any of its functions unless it provides for an understandable presentation and leaves room for no doubt or choice in the minds of those who read or are guided by the budget. Democratic ideals scarcely require that the technical and complex contents of the budget be made entirely comprehensible to the legendary man in the street, but, on the other hand, there are reasonable limits to the amount of specialized training one

[58] Moll, *op. cit.*, p. 70; Jèze, *op. cit.*, p. 214.

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must possess in order to know what the budget contains.[59] The fiscal functions of the budget are meaningless unless there is no room for any difference of opinion as to what is planned.[60]

There are at least three significant features to be observed in measuring budgetary clarity. First, it must be asked whether sufficient detail and supporting data are given for a clear interpretation of the essential material. Under this heading we study the problem of subdividing the information. Secondly, the question of classification and arrangement is raised and the material must be approached from this point of view to see if its presentation is a rational and simple one. Thirdly, the budget is analyzed in order to see that not more than a single interpretation is possible.

One notes that some German writers invoke an additional principle of comparability [61] or they treat this as a part of the clarity principle. In this connection it may be well to point out a minor difference between national budgets and budgets of territorial subdivisions. The latter must be, if not standardized, at least capable of being reduced to terms which make comparison easy; and they should, of course, be arranged so that a series of budgets in consecutive periods can be compared. The national budget need not be comparable except with previous national budgets.

Others who speak of comparability in relation to comprehensiveness or unity make the grave error of mixing fiscal and budgetary policy with the statistical surveys of a government's financial structure.[62]

[59] Neumark, *op. cit.*, p. 221, ably analyzes the salient features involved, using as his text Colbert's celebrated maxim, "il faut rendre la matière des finances si simple qu'elle puisse être facilement entendue par toute sorte de personnes et conduite par peu de personnes."

[60] No amount of statistical material about the collection of revenues, nor the fullest treasury reports, can compensate for fundamental confusion in the actual budget documents and legislation.

[61] Seidel, *op. cit.*, pp. 136-75.

[62] As in the case of the unity principle, here there are often confusions between the external appearance of the budget and the underlying characteristics. Another frequent error of this type is the claim that gross budgets unduly inflate the budgetary figures. The gross budget idea refers to the voting and control and the inclusion in the budgetary mechanism of certain items omitted

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In general the post-war situation has created a demand for budgetary clarity which puts this principle into a position of prominence. First of all the rapid growth of expenditures resulted in heavier taxation and in disastrous loan and monetary policies. Naturally there was increased interest in the details of public finance. Secondly, the international debt situation required study of the ability of nations to pay their debts. Figures were needed on tax burdens, per capita taxation and taxable capacity. Thirdly, the closer relations between public finance and business called for types of information which the average citizen was not formerly interested in securing. Moreover, contemplated reforms in the fiscal relations between national governments and their political subdivisions increased the need for clear presentation of financial statistics.

III. (*b*) *Publicity* (*Öffentlichkeit, publicité*). The principle of publicity became important in relation to political struggles for "control of the purse". The public, it was claimed, should be in full possession of all facts about the state's finances. Our own budgetary reforms are recent enough for us to remember this aspect of the budget, "the people's instrument". Later the view developed that a budget is no budget unless it allows free and unlimited insight on the part of the public into all its features. Indeed, one school of thought holds publicity so clearly a corollary of democratic ideals of government that there is no need to single out the budget for special argument. Among the definite demands that have been formulated, in respect of publicity, are the prompt publication of the budget documents, the opening of legislative and committee discussions to the public, and the dissemination of budget information. Others go so far as to say that the principle of publicity includes the right freely to criticize the budget.

in the case of net budgets; the way the budget experts arrange the material that is published is quite a different matter. For statistical purposes and for popular consumption one can present net budgets or budgets trimmed in any manner desirable. One cannot condemn too strongly the misunderstanding which results from confusing policy and procedure with formal methods of array and the appearance of documents.

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It is obvious that here as elsewhere attempts to give these principles a general validity and a valuational interpretation have led to unhappy results. Such attempts lead unwary fiscal theorists into broad discussions of constitutional rights, institutions of government and the whole problem of the relation of the state to the individual. The student is wiser who takes some aspects as background facts and attempts to see just how budgets measure up to really intelligible standards. Publicity, like clarity, should be kept in mind in relation to all aspects of the budget problem, because some of the other factors change in significance as their public relations status varies. The state of the finances, viewed in terms of the accuracy, clarity and publicity principles, becomes a very relative term.

The foregoing survey does not mention every principle that has been presented in the literature on budgets. One rule, especially, we are conscious of omitting, although many writers have given it great prominence and few who mention more than one or two of the principles fail to stress it. It is the principle of *non-assignment of revenues* (non-affectation, non-assignation, *Non-Affektation, Zentralisationsprinzip, Unzulässigkeit einer Zweckbindung budgetärer Einnahmen*). The idea has been clearly summarized by Shirras:[63] In regard to the question whether any special income should be assigned for any special expenditure, the general principle to be followed is to meet expenditure from general revenues and not to ear-mark any particular source for a special item of expenditure. It is closely linked to the *Kasseneinheit* concept of Wagner and has been, in one form or another, expressed by authors who have approached the subject from many different angles.

This maxim has frequently been formulated along with the ideas of comprehensiveness and unity, and has been linked to both.[64] However, the two authors whom we associate most

[63] G. F. Shirras, *The Science of Public Finance* (London, 1925), p. 564.

[64] Masé-Dari, *op. cit.*, p. 63. "L'applicazione del principio della universalità del bilancio combinato col principio della unità, porta alla fusione di tutte le entrate in un sol nucleo ed alla loro distribuzione pei vari servizi senza che entrate speciale siano affette aspese ed a servizi speciali." Also Lotz, *op. cit.*, p. 129.

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closely with the development of budgetary principles, Jèze and Neumark, both treat this topic as one separate and independent from the others. Our own analysis leads to the view that the problem is correctly handled when related to the unity concept, as is done by Allix, Bastable and Seidel.[65] For revenues which are fully assigned may still satisfy the criterion of comprehensiveness as applied to the budget. But infractions of the non-assignment principle often mean the formation of individual budgets, designated for some particular purpose. We hear of education budgets, sinking-fund budgets, road budgets.

What are the problems which arise in connection with the non-assignment principle? First, it usually means an acceptance of the social utility idea as a guide to the choice of revenue instruments. The tax, "a compulsory contribution . . . without reference to special benefits conferred", is preferred to the fee or the price. Infractions of the principle are usually found in connection with revenues of the benefit type.[66] Then there are issues related to the assignment of revenues to creditors, the use of the assignment to limit the productivity of a revenue source or to limit the expansion of a revenue item, the assignment of special emergency revenues for specific purposes, and the use of taxation for non-fiscal purposes. Furthermore it is obvious that often the whole problem of government enterprise is also included.

It appears that these problems involve important questions of social policy. They may be included in a discussion of budgetary principles only when limited to their narrow descriptive aspects. This well illustrates our view that certain elements in every budget situation must be taken as given. For example, in the case of the state governments in the United States, with their policies of highway and education financing, one would find the task of making a budgetary analysis very

[65] Allix, *op. cit.*, p. 158; Bastable, *op. cit.*, p. 139; Seidel, *op. cit.*, p. 99.

[66] Jèze, *op. cit.*, pp. 122 *et seq.*; Neumark, *op. cit.*, pp. 180 *et seq.*; Seidel, *op. cit.*, pp. 102 *et seq.* The use of gasoline receipts for road building is so widespread and accepted that attempts to use these revenues for general fund purposes are labeled diversions. *Vide* M. M. Davisson, "Trends in Highway Finance", *Bulletin of the National Tax Association*, vol. XIX, p. 231 (May 1934).

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broad indeed if the non-assignment issue were to be fully included.

From the budgetary viewpoint, the assignment of revenues is closely linked to the problem of equilibrium, and consideration of the latter subject will, no doubt, lead to the greater recognition of the strictly budgetary elements involved. Most writers have denounced the assignment of revenues. According to the accepted view, American state governments, with their widespread dedication of revenues for specific purposes, cannot achieve any kind of successful budget system until basic reforms take place. But little attention has been given to methods of bringing these assignments into line with more orthodox fiscal policies.

This presentation of the budgetary principles and their treatment in budgetary and public finance literature shows that the problems under discussion are of wide significance and scope and are of sufficient importance to warrant further development. We have noted that these principles are subject to change; they have evolved in connection with specific budgetary systems and have been colored by the political and other views of the authors who have been most active in presenting them. The purpose of this survey is to call attention to their existence and to present them for use in the development of a neglected feature of American fiscal science literature. These principles might be of real service in facilitating recognition and simplifying analysis of the fiscal problems of state governments. American budget systems are comparatively young and techniques are still being evolved to meet actual problems as they arise. It is conceivable that comparison with foreign practice may suggest solutions for some of the existing problems. Work along these lines seems particularly opportune now, while budget systems are still flexible, and while their inadequacies are revealed by the economic crisis.

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NOTE ON THE DISTINCTION BETWEEN POLITICAL AND TECHNICAL QUESTIONS

QUITE commonly today, in discussions of international relations and organized international coöperation, speakers or writers draw a distinction between matters to which they refer, respectively, as political on one hand and technical on the other. The work of the League of Nations in political subjects is distinguished from that in technical fields; international agreements upon political matters are distinguished from agreements upon technical subjects. The distinction is at times expressed somewhat differently but the formulation here cited is the most familiar if not the most precise.

The distinction deserves closer examination. One has only to note the inclusion of economic questions, including tariff problems, in the group of technical—hence presumably non-political—questions, to become instinctively dissatisfied with the distinction as frequently stated and applied. When questions of nationality or citizenship are then treated as wholly or principally political in character the dubious nature of the classification becomes all the more apparent.

In order to have a basis for a tentative examination of the problem the writer submitted a list of fifty subjects of international agreements, taken from index volumes of the League of Nations *Treaty Series,* to eight or ten special students of international relations and to two or three intelligent laymen. The original list of subjects or topics follows:

Alliance
Arbitration
Non-aggression
Postal service
Health
Peace and friendship
Labor
Vehicular traffic
Customs
Exchange of statistics
Amnesty
Conciliation
Transfer of territory
Armistice

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Boundaries	Trade in arms
Neutrality	Extradition
Suppression of drugs traffic	Double taxation
Telegraph and radio	Military occupation
Fishing and navigation	Reparation payments
Disarmament	River navigation
Guarantee	Private property rights
Suppression of slave trade	Exchange of prisoners
Minorities	Money orders
Consular service	Shipwrecks (salvage)
Mandated territories	Diplomatic pouches
Commercial privileges	Naturalization
Claims	Workmen's compensation
Territorial lease	Traffic in women
Trade marks	Veterinary matters
Suppression of liquor traffic	Interstate debts
Treatment of foreigners	Relief of indigents
Military coöperation	Soldiers' graves

There was unanimous agreement that the following subjects were political and technical respectively:

Political Subjects	*Technical Subjects*
Alliance	Postal service
Non-aggression	Health
Peace and friendship	Labor
Neutrality	Telegraph and radio
Guarantee	Trade marks
Minorities	Suppression of liquor traffic
Transfer of territory	Vehicular traffic
Armistice	Exchange of statistics
Military occupation	Money orders
Interstate debts	Workmen's compensation

On the basis of this classification a few remarks may, it seems, be made with safety.

Thus the distinction appears to be, primarily, one stated in terms of *subject matter*. This was assumed in making up the original list. It is believed that this is accurate as a picture of current usage. Whether there is any difference between such a classification and one stated in terms of *questions or*

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problems remains to be considered, along with the principal question of whether the usual form of classification is or is not sound.

On the other hand, if the statement is made that there is a difference between the political *work* of the League (or of any other international organization), and its technical *work*, between its political and technical *activities*, without reference to the subject matter involved, thus assuming that with respect to health matters or mandates or commerce there may be both political and technical work or functions to be performed, the situation may be quite different. This, however, throws the emphasis strongly upon the meaning of those terms in themselves and compels us to examine them as such.

The term political in its fundamental meaning denotes, etymologically, that, or something, which has to do with the state. In a secondary way it denotes that, or something, which is the subject matter of state policy. Further references carried in the term, as to political science or to party politics, need not be considered here.

The term technical is sharper in meaning but perhaps more difficult to define clearly. It denotes something which is part of, or in the nature of, a mode of procedure or treatment, of an art. A technique is a mode of procedure or treatment: thus, there is the technique of running or of cutting grass, of acting, of sculpture. Anything which is technical pertains to technique or to a mode—any mode—of process or treatment.

Now it is possible, of course, that in usage these etymological and historical meanings have been superseded by others. After all, the term "political" could be made by usage to indicate that which we now label "literary", albeit only with some straining of habit and association and logical consistency. So the term "technical" may have now come to mean something other than what it etymologically and historically has meant. If so this will show in the results of our inquiry; we shall proceed on the assumption that the meanings of these terms have not fundamentally changed since their incorporation into English from Greek and Latin antecedents.

If these interpretations of the meanings of the two terms be sound, however, then the terms may not at first glance seem to

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be coördinate or correlative in character, not related to the same axis or axes of reference at all; to contrast the state and art seems like comparing a building and a parry in tierce. Above all, the differentiation by subject matter would seem under such conditions to drop out of place entirely; obviously policy and technique may apply to anything, whether it be potatoes or knitting. At the same time the apparent incommensurableness or incomparability of the terms or concepts disappears if these aspects are taken into account: "political" refers to policy or general principle or theory of action, "technical" to application in detail of previously adopted policy or law. To some extent policy is purpose, technique the means to the end.

When we return to examine the lists of topics already cited this redefinition of terms is confirmed. Not one of the subjects in the second list but has or may have its technical aspects; not one in the third but has or may have its political side. A treaty of alliance embodies a policy of the states signatory, but the details concerning its application—the nature and extent of diplomatic and military coöperation promised, the *casus foederis,* duration, and so on—are highly technical. A postal convention is technical in character but it embodies the policies of the states signatory regarding the admission of commodities by parcel post, foreign exchange, censorship, and other points. This is brought out strikingly in the following list of subjects which were designated by the persons interrogated as indifferently or both political and technical:

Indifferent or both:

Arbitration
Boundaries
Disarmament
Commercial privileges
Claims
Territorial lease
Treatment of foreigners
Extradition
Reparation payments
River navigation

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Does this mean that the distinction in question, the distinction as phrased in the two terms so far employed, means nothing? Does it mean that there is no distinction at all to be observed here? And if there is, what are the best terms to be employed to designate it?

The distinction between *subjects* as respectively political and technical seems to mean just about nothing. This has already been shown. It does seem that there are larger proportions of policy involved in some matters in comparison with the mass of technique (non-aggression pacts, e. g.), and vice versa (health conventions, e. g.), but in no matter is there an entire absence of one or the other element. Moreover, the uneven proportions just referred to are traceable not entirely to the nature of the subject matter but largely to differences in mode of treatment; thus one arbitration treaty will be very brief and general, another very detailed and technical, one boundary convention very detailed and technical, another very general.

There is, however, a real distinction to be observed here, and even a distinction between the political and the technical. It is not so much a distinction between different subject matters, to repeat, all of which are bound to be in part both political and technical. It is not a distinction between the general and the detailed, altogether, for there are details of policy and general principles of technique. Nor is it a distinction between scientific and non-scientific subjects or topics, for questions of policy may be treated scientifically, rare as this is, perhaps, and questions of technique may be handled in the most haphazard way.

The real distinction involved is one between two different forms or modes of treatment—itself a question of technique! It is the distinction between the volitional and the scientific attitude and action upon any given matter. The conduct of telegraphic communication between two states may be regulated by them by the exercise of their more or less arbitrary and capricious impulses on one hand, or, on the other, by the application of scientific method to determine what forms of regulation are best adapted to produce a maximum of effective telegraphic communication between the two communities. The

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former way of acting will produce one type of convention, one not closely adjusted or calibrated to the matter in question, the latter the opposite. One of these methods may be preferable to the other, but that is for the moment irrelevant; the distinction is there whichever way one's preferences may run. Even in the employment of scientific truth for treatment of international problems there is, of course, at least that degree of volition involved in acceptance of or consent to such truth—hence the futility of any pure theory of natural or objective international law—but the difference in degree is so great as to amount to a difference in kind, once the original decision is made.

This analysis tends to render the distinction in question largely or even wholly subjective, personal, individual or social. The present writer has long ago commented on this aspect of the situation; technicians tend to depoliticalize a problem as soon as they get their hands on it. It might be said also that politicians tend to produce the opposite effect. Perhaps some peoples or nationalities might be contrasted in like manner—to mention no names. This does not invalidate the distinction though it renders it still less applicable in terms of subject matter.

In this light it might be argued that the distinction between political and technical matters runs between those which raise points upon which state policies diverge and are competitive, and those wherein there are no such divergences and where, hence, only problems of technique arise or need be mentioned. Thus there are great variations of policy, or problems of policy, involved in the question of making or not making, alliances, but all states desire to promote the health of their peoples and their economic prosperity. The trouble with such a distinction, however, partially sound though it may be, is that even in questions of health there are divergences of policy—vaccination or no vaccination, lax or strict quarantine restrictions, venereal antisepsis, and so forth. There are no completely non-political matters, for accepted theory and law can never become so complete as to leave no choices of value open.

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The situation might perhaps be stated in terms of law-making versus administration. That work is political which consists in laying down the law, that technical which consists in applying it. Those questions are still political in character in which there has been little agreement on principle; where that stage has been passed the question becomes almost wholly technical. This would confirm the suggestion that there may be political versus technical problems or questions concerning any subject matter, though no political or technical subjects *per se*. It would also explain in part why, at any given moment, certain subjects seem so *largely* political and others so *largely* technical; in one case a good deal of legislation may happen to be already available for application while in the other much improvisation is necessary. It must, however, be borne in mind that even the making of law may be carried on in a very technical way, with close and expert calibration to the subject in question rather than by free caprice, while administration of the law may become very political and capricious!

Finally it might perchance be argued that those subjects are more largely technical, or are likely to have been the subjects where prior action of a policy-making and legislative character has already progressed furthest, which involve most immediately and extensively the treatment or manipulation of physical matter, of space and of time—if these three old-fashioned entities may still be supposed to exist! Where people—their physical persons or their psychic natures—, where land or things, where time and distance, are to be treated because they are elements in the problem, technique is likely to enter; where abstractions alone are concerned the opposite is true. In the former class are questions of health, wealth, or communications. The case of codification of law rises up to challenge any such statement, however, for it deals with abstractions but is highly technical, and it seems that even here it is nothing more or less than the disposition to treat a matter arbitrarily or according to all preëxisting and relevant data that constitutes the essence of the matter.

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Obviously, however, as far as verbal usage is concerned, it is a bit impractical to expect an adoption of "volitional versus scientific" in place of "political versus technical". It is even hopeless to expect that the distinction between legislative and administrative action will be made to replace the other, or given the primary place which it deserves in all discussion of government, national or international. Furthermore, international legislation and administration both, or international action in general, are and will continue to be classified by subject matter, and the distinction between the political and the technical will continue to be used in connection therewith.

That being the case, the most that we can do here—and it is doubtful if more could be done by much longer treatment—is to point out that the latter distinction cannot be applied with any great deal of accuracy, if with any at all, to one subject matter as against another, that when such a correspondence does seem to occur it is for auxiliary reasons not necessarily connected with subject matter as such, and that the real distinction involved is one largely between divergent mental attitudes or at least between divergent ways of dealing with any matter, the way of the will and the way of the mind, the laying down of policy or law by fiat versus the laying down of policy or law by inference from facts and principles of nature, or the application of policy or law, no matter how devised, to detailed factual situations. If these things are borne in mind the elliptical character of the distinction ordinarily made may be remembered and not be entirely misleading.

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"THE THEORY OF WAGES"[1]

PROFESSOR DOUGLAS' *The Theory of Wages* is an attempt to demonstrate the marginal productivity theory of distribution mathematically rather than merely a quest for a theory of wages. Because wages, interest and rent are determined "by mutually interacting forces" (p. xiv), the author did not try to isolate wages for exclusive study.

The study is divided into four parts. In the first he traces historically and tests mathematically the theory of production and its relations to the problem of distribution. The analysis aims to demonstrate that marginal productivity is the ultimate determinant of the price paid for each factor of production and that the tendency of production to be carried to a common margin works itself out in industries producing dissimilar products as well as within each industry because "The margin is one of an equal production of *value*" (p. 44). "From this it follows that wages, according to the productivity theory, are fixed at a margin which runs through society as a whole. The relative productivity of the workers of any given plant has but comparatively little influence on this general margin. Thus if the productivity of the major industries were to increase so that the laborers in these industries were each to turn out more products with greater value than before, then wages for farm hands in New England would also rise (as they have) even though no increase in their relative productivity has taken place. More workers would leave the farms for industry, the margin of cultivation would recede, and the farmers would have to pay more for the laborers whom they retained" (p. 45). He quotes in evidence the findings of Dr. Maurice Leven that manufacturing and agricultural wages were either both high or both low in the respective states (p. 46). "This furnishes", he said, "a strong proof that within any one market there is a tendency for the margin to be approximately the same in all industries."

[1] *The Theory of Wages*, by Paul H. Douglas. New York, The Macmillan Company, 1934. xx, 639 pp. $5.00.

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One of the most interesting features of this part of the study is Douglas' argument that "The way is then open to explain the basic quantity of rent which runs through all land at a given time on the same principles of marginal productivity which have been used to explain the basic rate of wages and the basic rate of interest." After pointing out that if labor or capital is held constant and the two other factors are increased "the incremental yield will decrease as the other two factors increase", just as in the case of land (p. 51) he states that the marginal productivity theory explains what the return on the poorest type of land used will be, and the Ricardian or differential theory, the differences "between the rent of this land and of the other and superior varieties" (p. 52). "This bi-furcation of the theory of rent into a dualistic form, in which one branch explains the basic rent and the other the differential, is after all precisely similar to an earlier development in the theory of wages and a somewhat later development in the theory of interest" (p. 52)—as he then proceeds to demonstrate.

Chapter iii, "Postulates of the Marginal Productivity Theory", is an illuminating analysis of the explicit and implicit assumptions of the theory. He points out that the theory assumes that employers "are able to measure and to estimate in advance the added productivity which will accompany the application of further units of labor"; that "there is free and complete competition among the employers of labor" and "among the wage earners for work"; that "labor knows its marginal productivity"; that both capital and labor are completely mobile and can be transferred from place to place and that all labor and all capital is employed (p. 69). "The productivity theorists and the neo-classical school have treated unemployment as resulting solely from the attempt of labor to secure a higher wage than their product at the margin" (p. 70). In addition the theory assumes that the bargaining powers of labor are equal to those of "capital" and of the entrepreneurs and that *laissez-faire* conditions obtain in the labor market. Douglas makes clear his realization that the conditions of actual economic life vary widely from these assumptions of the marginal productivity theorists but argues that though actual economic conduct causes wages, rent and interest to vary from the base levels fixed by marginal productivity, there is at work at all times a powerful tendency to bring the marginal prices of the factors back to the marginal productivity level.

"The assumptions which depart most from reality are those which ascribe more power to the workers than they actually possess. . . .

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It can thus be said that up until the summer of 1933 the forces which operate against labor's receiving its marginal product were stronger than those which tend to prevent capital from securing its margin. An increased activity by the state in behalf of labor, or further unionization on the part of the wage earners themselves, would have helped to redress this balance. These forces indeed might conceivably become so strong as to turn the scales the other way" (p. 94).

In the concluding pages of this chapter Douglas states that the marginal productivity school, and orthodox economists in general, have described a portion of reality. But their method has been to set up a theoretical situation from which disturbing elements and variables were excluded. In this book he is seeking to develop a method by which the multitude of variables inherently bound up with every situation in actual economic life can be taken into consideration. The development of quantitative methods of measurement seems to him "to furnish both data and types of analyses which, when extended and refined, may enable us to measure wages objectively and to determine with some accuracy the causes and consequences of such movements as have taken place" (p. 96). The remainder of the book utilizes these methods to test the validity of the marginal productivity theory.

Part II, An Approach to the Imputed Productivity Curves of Labor and Capital, measures statistically the relative contributions of capital and labor to the advance in American productivity, 1899-1922, and the trends for the nation are then checked against data for the state of Massachusetts and for New South Wales. This section constitutes one of the most valuable factual contributions of the book. It reveals an unprecedented growth of fixed capital (pp. 113-23), an increase of about six per cent per year compounded, which was at least double the increase in Europe (p. 123). Labor supply, on the other hand, increased but 61 per cent during the twenty-three years (pp. 114-20). Physical product increased less than fixed capital but more than the labor supply, the curve for product being approximately one-fourth of the distance between the curve for increase in labor supply and that for fixed capital (p. 128). It is obvious therefore that during recent years an increasing amount of capital has been combined with each unit of labor. This brought the author face to face with the vital problem: What was the relative influence of labor and of capital upon the increase of physical product 1899-1922? An elaborate mathematical analysis by Professor Charles Cobb of Amherst College, based in part upon unreal assumptions

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(p. 132), developed a theoretical curve of production which smoothed the actual production curve (p. 135). The reviewer was not particularly impressed by the general similarity between the two curves. After all the method used in the mathematical analysis was one designed to get a theoretical curve resembling the actual curve (pp. 131-45). The analysis did, however, furnish formulae adhering closely enough to the actual trend of production, 1899-1922, to be useful in the effort to obtain theoretical curves measuring the marginal productivities of labor and capital. These computations yielded the conclusion that "an increase of one per cent in the quantity of labor with capital constant would not merely cause the total product to be increased by ¾ of one per cent but would also lower the previous marginal productivity of labor by ¼ of one per cent. A decrease of one per cent in the quantity of labor would have a similar effect in the opposite direction." But an increase of one per cent in the quantity of capital, with labor constant, would increase total production by only ¼ of one per cent and lower the marginal productivity of capital by ¾ of one per cent (p. 151). Consequently, an increase of one per cent in the quantity of labor would, "other things being equal, normally tend to be followed by a decrease of ¼ of one per cent in the rate of wages" (p. 151). Stating the findings in terms of elasticity of demand, "an increase of one per cent in wages would, if everything else were equal, result in a decrease of four per cent in the quantity of labor demanded, and an increase of one per cent in the rate of interest would, under the same conditions, result in a decrease of 1.33 per cent in the quantity of capital demanded" (p. 152). The results of the mathematical analysis are interesting, but the reviewer cannot overlook the importance of the phrase "other things being equal" and of the untrue assumptions on p. 132. He remains unconvinced that the quantitative conclusions have been proved. Nevertheless the methodology may be sound and may require only the refinements for which Douglas is admittedly groping.

Douglas' method of analysis attributes 75 per cent of the manufacturing productivity of the United States to labor and the National Bureau of Economic Research found wages and salaries averaged 74 per cent of the total value added by manufacture, 1909-18 (p. 173). In Chapter viii Douglas attempts to discover whether the Laws of Production expounded in Chapter v are reflected in the actual processes of distribution. By statistical analysis of the trends of per capita value productivity and per capita real wages he found that "until 1916 the index of real wages was always invariably above

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that of average value productivity but from then on it was almost invariably below that of value productivity" (p. 184). "It is probable indeed that the far more rapid increase of value productivity than of real wages during the years, 1922-1926, and the at least partial maintenance of this disparity during the years from 1926 to 1929, was at least one of the causes for the great depression which began in the fall of the latter year" (p. 187). The failure of labor to obtain its marginal productivity appears, then, in Douglas' judgment, to have constituted a factor of economic instability. The reader will find this one of the most interesting chapters in the book.

Douglas does not consider this mathematical expression of the laws of production to be of universal applicability. "We should not conclude because of the substantial uniformity of the production equation in the United States, Massachusetts, and New South Wales, that it will be the same for all times and countries. It necessarily varies from industry to industry; capital, for example, playing a more important part in some industries . . . than it does in others . . . ."

Part III, dealing with the probable supply curves of labor, capital and natural resources, raises another set of questions presenting fascinating problems of quantitative analysis. It is an important contribution to the problems centering around elasticities of supply. At points the reviewer thought that the author depended too much upon his mathematical analysis. For instance in Chapter xii, in which he deals with hours of work, Douglas attempts to demonstrate that increases in wages result in decreases in the hours which laborers *will* work. Sometimes this happens; but is it universally true, or so commonly true that the fact can be expressed by mathematical formulae? Starting with the well-known fact that low wages and long hours go together, and vice versa, Douglas reaches the conclusion by a mathematical process that "it would seem as though an increase of one per cent in hourly wages would cause a decrease of one-quarter to one-third of one per cent in the quantity of labor offered and that a decrease of one per cent in hourly wages would cause an increase of from one-quarter to one-third of one per cent in the quantity of labor supplied" (p. 313). "On the basis of the evidence advanced, the workers in the United States tend to divide an increase in hourly wage rates into two parts. The first is a higher material standard of living while the second is increased leisure for themselves or their families. Approximately two-thirds to three-quarters of the gain is devoted to the first and approximately one-third to one-quarter to the second of these purposes" (p. 314).

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Any one familiar with industrial relations in the United States knows that low wages and long hours are paired where employers dominate working conditions. Workers accept both the low wages and the long hours because they cannot refuse them. It is true that they must work longer hours to obtain subsistence when hourly rates are low, but the principal reason they work long hours is that their employers require them to. In the reverse situation, labor dominates. Powerful unions compel employers both to pay good wages and to accept a shorter work day. Struggles over hours have been on the whole more bitter than those over wages. The nice adjustments between two-thirds to standards of living and one-third to increased leisure which Douglas describes may or may not be true of the average results of labor's efforts to control working conditions, but his mathematical analysis certainly constitutes an unreal description of the way the result came about.

The reviewer laid down *The Theory of Wages* convinced that Professor Douglas relies too much upon the truth of assumptions and estimated probabilities which he incorporates as raw materials into his analysis; and that the reader must watch carefully lest he accept conclusions based in part upon foundations that are questionable. But the work is an important contribution to economic theory. It deserves the careful study of professional economists; it will be little understood by those lacking rigorous training in economics and statistics.

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REVIEWS

World Politics and Personal Insecurity. By H. D. LASSWELL. New York and London, Whittlesey House (McGraw-Hill Book Company), 1935.—vii, 307 pp. $3.00.

The end of the war found political theory equipped with the idealistic doctrine of the right-wing successors of Hegel; with the counter-ideology of the pluralist revolt, in which Laski was taking the leadership—with its brilliant elaboration on Mill; with orthodox Marxism; and with the little regarded, and not much better known, work of the German and Viennese sociologists. Ratzenhofer was but a name, but Pareto had been heard of, even in Oxford. Pioneers such as Bentley had written work dismissed contemptuously by the learned reviews, but Bryce and Bosanquet had referred hopefully, if vaguely, to the possible assistance of psychology to politics. Graham Wallas had made contributions, not less valuable, because, like Bagehot's they were popular; and Walter Lippmann was giving currency to these views. Then Pavlov and Freud arose, and Dewey looked with favor upon them. The Chicago School of Philosophy became reincarnate with Professors Merriam, Park, Smith and Lasswell, as the Chicago School of Politics.

Some of us can recall the day when to suggest the establishment of a science of politics or the measurability of political phenomena would draw from the young gentlemen who review anonymously for the London *Times* the rebuke that this was to endeavor to treat scientifically that which was intrinsically incapable of scientific treatment. They had learned these things from their philosophical wet-nurses. The pioneer work, however, of Thurstone, of Stuart Rice and of Sargent Florence confirmed the new line of approach. This school proposed to distinguish between the science of politics, as a mechanics of means, and political philosophies of values. It followed in the line of Machiavelli, Hobbes and Bentham, with his 'science of will'. From its peculiar standpoint, it regarded values as mass forces in need of balance and adjustment, if overt discontent were to be avoided in the functioning of political relations. It affirmed that politics was a quantitative study. It hazarded the hypothesis that the distribution of political forces was most illumi-

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nated by studying them from the angle of the pursuit of power. It looked to psychology—not only to Adler and Freud, but also to the work of Znaniecki, Allport and Thorndike—for further hypotheses. It gave high esteem to the fact-collecting work of sociologists such as W. I. Thomas and the Lynds.

When the Social Science Research Council allocated funds to compile a bibliography of several thousand titles on Pressure Groups and Propaganda, the only appropriate comment was that it was just too bad—unless the Council had first some tenable hypothesis concerning what investigations were to be furthered by all this Sisyphean task of indexing mediocre and negligible opinion. But, by and large, the endeavor to test hypothesis by ascertained fact, and to measure, was entirely sound. By and large, Lord Kelvin was right when he spoke of a measurable knowledge in matters such as the present one.

Out of all this preparatory labor in founding a school springs the present trilogy — the *Political Power* of Professor Merriam, the *Beyond Conscience* of Professor T. V. Smith and this volume of H. D. Lasswell. The school, from the standpoint of the power-theory of politics, is the most important, as it is the most original, since the rise of Marxism. If it is successful in its attempt, it will be more important than Marxism, since it will substitute exact, verified and impartial knowledge for an interpretative and philosophic opinion. It will substitute knowledge for political theology and messianism. This does not mean, needless to say, that a philosophy of values can be dispensed with; but it does mean that it can be supplemented by a science of the practicable, acquainted with the limits set by human nature and natural law. It is as yet premature to say whether this school will, in fact, justify these expectations.

Professor Lasswell discusses that " expectation of violence " which is, in the last analysis, the basic thesis of Marxism. He catalogues in his chapter on " Controls " ingenious suggestions for establishing a world state, from that of Professor Laski for a world postage-stamp across to that of making the world reign of law a slogan. He is frankly here concerned with the Platonic quest for the appropriate myth or symbolism. These are, however, proliferations of his central theme, how to guarantee security. This theme he chooses to treat in a style which, handled by another pen, might substitute jargon for thought, but which serves clear notice on the layman democrat that he is dealing with a technical subject about which he does well to remember that he is ignorant.

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Professor Lasswell defines politics as "the study of the changing value hierarchy, the pyramid of safety, income and deference". His answer to the problem of security is, in brief, that of inquiring how an élite—the élite appropriate to the particular cultural environment, can by the correct manipulations persuade those governed only by their emotions, without adequate cognizance of the facts, to accept the valuations best pertaining to their peace. The definition is somewhat too ragged and lacking in logical sequence. The treatment contrasts unfavorably with Marx, for all its humor and corruscations. By being too disconnected, scrappy and unsystematic, it has not as yet reached the polished cohesion of the Marxist scholastic nor, hence, does it carry Marxism's impetus to conviction. The democratic problem *quis custodiet ipsos custodes* is not discussed. One feels, however, that the attempt here made to reduce politics to orderly interpretation is so significant that these criticisms are less than just.

Professor Lasswell's theory has the immense advantage that it is the rational theory of the irrational. It cannot, therefore, be torpedoed by the customary Fascist attack upon "rationalism" or the Marxist attack upon "impartiality". This book is yet not merely a methodological excursion. Although I presume that Professor Lasswell would not admit that he is urging any particular practical conclusions, or being more than descriptive and systematic, yet a by-product of his argument is to show the weakness of the Marxist assumption that the middle class will be crushed out between concentrated capital and the proletariat, and to indicate that, for technological reasons, it is likely to grow, not weaker but stronger.

Marxist, Fascist and democrat alike will have to read this book. It is interesting to contrast its method of approach with that of a pure historian such as that of Professor A. J. Toynbee, in his *A Study of History*; and again, of Professor H. J. Laski, in his recent work. I venture to say without hesitation that it is more likely to prove fertile than the former, conscientious although this undoubtedly is. The time has not yet come to assess its value, in the history of illuminating generalization upon the province of politics, in comparison with the work of the political philosopher of the most genius in our generation. At least the line of approach is different, original and, potentially, of revolutionary significance. It counts among the five most important books on political theory since the war.

I would add one further point. Professor Laski, in his recent *The State*, has become a partial convert from his earlier natural rights theory to an ethical natural law theory, while shifting his emphasis

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from a theory of politics as ethics to Marxist analysis. One wonders whether the Chicago school may not be well advised to direct their attention to the revival of natural law, not, however, treated on the ethical plane of the Schoolman, but on the plane of objective, scientific inquiry.

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The Permanent Court of International Justice: A Treatise. By MANLEY O. HUDSON. New York, The Macmillan Co., 1934. —xxvii, 731 pp. $5.00.

It will be generally conceded by scholars that there is no one better fitted to expound the organization and functions of the Permanent Court of International Justice than Professor Hudson. For many years his detailed studies of the Court have appeared in the various legal reviews, and students have been led to look forward to the appearance of a more comprehensive study in which all of the various aspects of the Court, its composition, its jurisdiction, its procedure and application of law might be brought together and discussed in the unity of a single treatise. The present volume meets these expectations and it becomes at once the authoritative commentary upon the Court and the most readily available source of information upon it in all of its technical aspects.

In order that the legal traditions behind the Court may be better understood Professor Hudson devotes the opening chapters of the volume, Part I, to a study of "The Precursors of the Court", showing the continuity in the process of international adjudication. Succeeding chapters, Part II, examine successively the conditions under which the Court was created, the drafting of the separate articles of the Statute, and the subsequent revision of the Statute. This is followed by a study of the Senate Resolution of 1926, providing for the accession of the United States to the protocol of the Court, and the action taken by the signatories upon the resolution. The author then proceeds in Part III to analyze in detail the organization of the Court, including the election of its members, the rules of the Court, the Registry, the finances of the Court, the privileges and immunities of its members, and special problems of membership. Part IV deals with the jurisdiction of the Court and contains a study of the agreements conferring jurisdiction upon the Court, the classes of disputes coming before it, and the basis of both its contentious and its advisory jurisdiction. Part V examines the pro-

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cedure and practice of the Court, and Part VI deals with the application of law by the Court.

In so comprehensive a study it is difficult to determine which parts are the most distinctive or which problems hold the greatest interest for the student. Has the method provided for the election of judges succeeded in securing the degree of ability and impartiality hoped for in its membership? Has the absence of the United States from participation in the Court seriously weakened its prestige or hampered its activities? Has the absence of compulsory jurisdiction prevented the Court from passing upon important international controversies? Has the function of rendering advisory opinions facilitated the settlement of international disputes without dragging the Court into the arena of diplomatic conflicts? Have the Court's decisions and opinions actually disposed of the questions at issue by the acquiescence of the losing state in the conclusions reached by the Court? What sources of law are available to the Court and to what extent has it drawn upon them? What has been the attitude of the Court in respect to the interpretation of the numerous treaties that have come before it for adjudication? These are perhaps the leading questions provoked by a study of Professor Hudson's volume; and while the author does not present them in the form of controversial issues, he does set forth the facts from which conclusions may be drawn, and he does so without any attempt to minimize the force of particular criticisms that may be made of the Court in respect to one or other aspect of its activities.

It would seem, however, that in any case the Court has long since passed the stage at which constructive criticism can be directed to other than matters of detail. No one can study these pages without a realization of the outstanding position which the Court has come to hold in international relations. In spite of its limited jurisdiction it has handed down a long series of decisions and opinions which are gradually, if all too slowly, laying the foundations of an international jurisprudence. It is true that none of the great "political disputes" that have threatened the peace of the world during the past few years have been submitted to the Court; but many of the so-called "legal disputes" that have come before it have been such as in past years would have been called "political", in the sense of being regarded as too important to entrust to an international court, and the more the record of the Court is analyzed the more it will be found that the scope of political disputes has not only been narrowed by the Court but can be narrowed still further without calling upon the Court to go outside the proper range of the judicial process.

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Professor Hudson has given us what is for the time a definitive study of the Court, and it crowns his years of efforts to put the Court before the American public in its true light as an agency for the settlement of international disputes and as one of the most effective means for the development of international law. Little by little the facts presented by the record of the Court must break down the popular complex built up in the United States against the Court by those who naïvely profess to believe in an ideal court which would have none of the characteristics of a working institution.

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Tariff Retaliation: Repercussions of the Hawley-Smoot Bill. By JOSEPH M. JONES, JR. Philadelphia, University of Pennsylvania Press, 1934.—x, 352 pp. $3.00.

Mr. Jones has written a very useful book. Its purpose, as appears from the title, is to describe and analyze the destructive effects of the American tariff policy, especially of the Hawley-Smoot Tariff, upon commercial intercourse between the United States and a number of European countries. He puts a special emphasis on the recent tremendous growth of protection in its most aggressive and objectionable forms, the reason for which he sees in the American Tariff of 1930. The question which naturally arises in the mind of the reader who attacks Mr. Jones's volume is how the effects of the Hawley-Smoot Tariff are to be distinguished from those of many other complex factors which are working toward the restriction of international trade. The author meets this question by declaring at the beginning of his study that "the world depression and the Hawley-Smoot Tariff are inextricably bound up one with the other, the latter being not only the first manifestation of but a principal cause of the deepening and aggravating of the former. Therefore, although a very real effort has been made to evaluate the various factors entering into each commercial policy development treated in this book, the repercussions of the Hawley-Smoot Tariff are necessarily studied in the setting of the world depression." This seems reasonable enough, although the statement that the Tariff of 1930 is "the first manifestation" of the depression and "a principal cause" of its "deepening and aggravating" is debatable. Unfortunately, Mr. Jones does not always follow his own precepts and his study not infrequently reads like a *roman à thèse*. By overstating his worthy case he lays himself open to legiti-

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mate criticism and thus weakens the effect of his own argument. On page 42, for instance, we are informed that the United States was considered "in the Spanish mind . . . as the source of all Spain's troubles." But the very next section of the book (pp. 44-49) would seem to indicate that France had at least as large if not a larger part in driving Spain to the most extravagant forms of protection. The same excess of zeal leads Mr. Jones to speak of "the sentiments and the will of the people of Switzerland" in such a highly technical matter as the use of the unconditional most-favored-nation clause (p. 133), although it may be reasonably doubted whether the "people of Switzerland" know more about it than the Ohio farmers. Few students will agree with Mr. Jones's statement that the system of French import quotas contributed to European solidarity. The European nations were certainly slow in realizing this effect of the French policy even if some of the French apologists of extreme protection expressed such an opinion. It is rather surprising that Mr. Jones makes no reference—not even in his bibliography—to M. Edgar Allix' classic work *Les Droits de douanes.* One is somewhat puzzled to hear from a champion of tariff reduction that "the *manner* of restricting imports has become immaterial in this fourth year of the depression" and that the import quotas therefore are no more objectionable than any other measures of trade restriction (pp. 139-140). M. Allix, a staunch supporter of protection, rightly takes a very different view. The same irrepressible desire to establish the unquestionable wickedness of the Hawley-Smoot Tariff makes Mr. Jones grossly exaggerate the significance of Briand's plan for the United States of Europe which never had any chance of success and had but little support in France. Mr. Jones's excursions in the field of high European politics are not very fortunate. "Vexed with France's political hegemony in Europe", he writes (p. 96), "Mussolini hopes to establish an entente between the conquered nations of Central Europe, including Germany and Soviet Russia." Recent international developments hardly confirm this interpretation of the Italian policy. It cannot be saved even by the fact that it agrees with that of Mr. Knickerbocker—a concurrence which in itself should have been a warning to Mr. Jones.

The real value of the book under review is its presentation in an accessible form of a large volume of information on recent tariff legislation in a number of European countries. The author's recommendations for a new American commercial policy are more questionable. He suggests the granting of powers to the President to

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reduce existing tariff rates by 50 per cent by negotiating reciprocal commercial treaties and the abandonment of the unconditional most-favored-nation clause. The first of these suggestions has been embodied in the recent Tariff Act, but its effect, as was to be expected, has been so far practically nil. Piquancy is lent to the book by an introduction written by H. A. Wallace, Secretary of Agriculture. In spite of these high auspices it is probably too much to hope that Mr. Jones's study will be read in Washington by those on whom depends the future of the United States tariff policy.

MICHAEL T. FLORINSKY

COLUMBIA UNIVERSITY

The Italian Corporative State. By FAUSTO PITIGLIANI. London, P. S. King & Son, Ltd., 1933; New York, The Macmillan Co., 1934.—xxv, 293 pp. 15 s.; $2.50.

This is the first attempt to describe in detail the actual machinery of Italian planned economy. In all its aspects, as the author is well aware, this machinery is barely beginning to take definite form and to achieve practical results. It is therefore too early to evaluate it as a whole or even to predict the directions in which it will be modified. Throughout this exposition the reader is aware that the corporative state is still in its experimental stage and that there is a wide gap between the well-articulated theory and the actual working conditions. Though Dr. Pitigliani's researches extend for the most part only to the year 1931, and though the practical experience of even these few years might be studied more critically and exhaustively, this work affords a real insight into the operation of a coördinated national syndicalism.

The first half of the book describes the principles, laws and regulations governing the new order: the various syndical organizations, their legal status and powers, their collective contracts, the Labor Courts and their policies, and finally the corporative organs (the National Council of Corporations, the Ministry of Corporations and the Corporative Parliament). The best section in this part is undoubtedly that on the Labor Courts, for it throws light not only on the way in which they operate but also on their historical relations to similar experiments in other countries. The author believes that "the Labour Court intends, in carrying out its functions, to follow a single coherent line of conduct in order to stabilise labour conditions in Italy, and to devote more attention rather to the substantial

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than to the formal aspects of the questions raised" (p. 86). Though he adduces a certain amount of evidence in support of this thesis, there is much evidence likewise revealing groping, opportunistic attempts to arbitrate conflicts in ways that happened to be politically expedient. As to collective contracts, the author points out that they have not supplanted private contracts and that in general they serve as minimum standards below which private contracts are not allowed to go.

The theory of the corporations is simple.

> When the State stands over and above all rival classes and is considered as a single and separate organism, varying its point of view in accordance with the play of international economic forces, it is evident that the conflicts between one productive category and another arise with less frequency and find their settlement with relative facility. In fact, the intervention of the Government excludes the possibility of any considerable advantage to a category in conflict [p. 82]. . . . The so-called class struggle, conceived as the unavoidable conflict between the proletariat and the capitalists, is probably only an episode in the phases of that process of settling down whereby the society of to-day is tending towards equilibrium. It is not so certain that there will be a struggle between the proletariat and the capitalist and the bourgeois as that there will be an agitation amongst the various categories for the most advantageous distribution of the aggregate quantity of welfare produced [p. 17].

The corporations, in other words, are a machinery by which the political bureaucracy can maintain an equilibrium among the various syndical confederations. In practice this has been achieved so far by direct and piecemeal intervention. At the time Dr. Pitigliani's book went to press (1932) only one corporation had been definitely set up and that was a very minor one, the Corporation of the Stage and Cinema. Since then some progress has been made toward giving formal organization to several others, but on the whole, the corporative state is still lodged largely in the informal activities of the Ministry of Corporations and in the decisions of the Labor Courts.

The really impressive aspect of the corporative state is not the corporations but the syndicates. To them the second part of Dr. Pitigliani's work is devoted. He gives in detail the recent history, formal organization and practical policies of the thirteen National Confederations and their subsidiaries. This is a most informative description, especially when supplemented by the statistical tables of Appendix B. It is clear that the recent development of these organs has been in the direction of centralization of responsibility

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and increased power for the National Council. The "principle" of syndical organization is the democratic principle of elected representatives; but the practice is the fascist policy of concentration of power in the hands of the national leaders. How this divergence will work out remains to be seen.

A more critical use of the information the author has gathered would be welcome. For example, he points out carefully that on the average only about half the persons whose interests are controlled by a Syndical Confederation are actually inscribed members of the Confederation. The reasons for this state of affairs the reader must guess. Again, he distinguishes carefully between the rights and functions of legally recognized syndicates and *de facto* syndicates, but he fails to describe the present strength and policies of the *de facto* syndicates. In general, though the author aims to describe the corporative state in practice, he succeeds better in describing its formal structure. This is perhaps inevitable at present, for the corporative machinery must still be approached in terms of its aims rather than of its achievements.

What the treatment of the corporative state lacks in penetrating criticism is somewhat atoned for by an erudite discussion in Appendix C of "The Economic Basis of Arbitration", in which the author argues that neither the individualistic nor the collectivistic theories of arbitration offer an adequate principle for the evaluation of competing interests and that a basis of "spiritual" values is needed.

HERBERT W. SCHNEIDER

COLUMBIA UNIVERSITY

Recovery and Common Sense. By O. M. W. SPRAGUE. Boston and New York, Houghton Mifflin Company, 1934.—96 pp. $1.00.

Following his resignation as Financial and Executive Assistant to the Secretary of the Treasury on the 16th of November, 1933, Professor Sprague prepared a series of newspaper articles in which he set forth his fundamental theories in the field of money, credit and business fluctuations. These articles have been reprinted in the present volume. The old truth is emphasized, that in a period of depression, monetary measures alone cannot stimulate recovery. Only on the upward sweep of the cycle can monetary measures exert a potent influence. Revival cannot be induced until the forces of

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depression have expended their deflationary momentum, and this process may be retarded by unwise monetary measures.

A revival of business, according to Professor Sprague, would beget its own credit. For this purpose the previously existing gold standard would have provided sufficient elasticity to meet all necessary credit expansion. However, industry could not revive as long as those price disparities continued which were a characteristic feature of the present depression. He would eliminate these, not by attempting to raise the prices of the depressed commodities through artificial means, but rather through lowering the prices of those maintained at high levels. In this connection, the conclusion is reached that the N R A has had a highly adverse effect on recovery in raising prices (particularly of building materials) and introducing new distortions in the price structure.

Had building materials fallen in price, a revival of the building industry would have set in, based on private initiative and private savings, which would have done much to absorb the unemployed. Had other manufacturing industries likewise lowered prices, the remainder of the unemployed would have been absorbed and the excess employed in agriculture would have found employment in the ensuing expansion.

The growing burden of long-term debts through the depression, in Professor Sprague's opinion, received undue emphasis and did not in itself justify the adoption of an inflationary program which would but add further to the debt structure. Revival is not to be promoted through the creation of new debts but rather through the liquidation and refunding of old obligations. Otherwise, the mistakes of the decade of the 1920's will be repeated in a new orgy of speculative activity and debt creation.

Professor Sprague concludes by outlining some of the rules which should be followed in any new international gold standard. Monetary gold stocks should be concentrated in the vaults of central banks, which should themselves buy the output of the mines and furnish gold for industrial uses. Gold shipments would be permitted only among the central banks.

It might be mentioned that the present tendency among the gold standard nations is away from the type of gold standard outlined here, as witnessed by the plans under way in France to put gold coins in circulation. In time the United States might even follow suit. The increase in gold production, the effect of devaluations in raising the monetary value of the world's gold stocks, the rapid

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passage of gold from industrial to monetary uses, have so augmented the supply that it might be necessary to restore the gold coin standard in order to decrease the enormous gold stocks in the vaults of central banks with their inflationary possibilities.

It is unfortunate that the Administration was unwilling to listen to the advice of that general school of monetary and banking thought to which Professor Sprague belongs. Instead, the Keynesian theories of depression-riddance through increasing expenditures have held sway. For quick and immediate effects the naïve doctrines of Professor Warren were adopted. Their very simplicity should have been warning enough that they could have little immediate effect in our very complex economic society. The problem now is to prevent the consequences of those monetary enactments and policies which were adopted from culminating in an inflationary boom. It is not too late to do this if the Administration possess the requisite courage. The longer remedial measures are postponed, the more difficult it will become to retrace the steps taken.

BENJAMIN HAGGOTT BECKHART
COLUMBIA UNIVERSITY

Australia in the World Crisis: 1929-1933. By DOUGLAS COPLAND. New York, The Macmillan Co., 1934.—xii, 212 pp. $2.50.

Professor Copland's latest book deserves wide attention, both from economists and from all others who are interested in the problems of economic control. It is a study of the development and preliminary results of a series of deliberate, self-conscious attempts to manipulate the whole Australian economy, with the purpose of lessening the initial impact of the world depression, and then of facilitating the inception of recovery. Australia, primarily a "raw materials and foodstuffs" country in her international relations, is heavily dependent on exports of wheat, wool and metals, and until 1930 was also a persistent and relatively large borrower in London. She was therefore almost inevitably one of the first countries to feel the effects of the growing world economic collapse; and she is now among the first to experience an at least moderate recovery. Her experience is of especial interest to us in the United States, because she has already traversed part of the road that still lies ahead of us, and has already tested some of the devices with which we have begun to experiment.

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The collapse of world prices for Australian export products, which began as early as the end of 1929, and the sudden virtual cessation in 1930 of those loans by England which had hitherto kept the Australian international payments in balance, precipitated an acute crisis, first in Australia's finances and then in her general economic life. To combat the crisis some proposed that she inflate, others that she deflate further—precisely as happened in this country. Actually, she did neither. Acting largely on the recommendations of a small committee (1931) of which Professor Copland was himself chairman, she selected an ingenious set of compromises between the two extremes. The foreign exchanges were allowed to depreciate substantially, and then were pegged, at a 20 per cent discount, not to gold but to sterling; when sterling depreciated against gold in 1931, the Australian currency went with it. These were of course "inflationary" measures, though moderate ones. On the other hand, most real wages were forced down by 10 per cent (and money wages still further) through the semi-governmental action of the Arbitration Court and similar bodies; so were those salaries that could be reached, especially of government officials; interest rates on government internal obligations were cut 22½ per cent, and similar action was eventually taken with respect to many other obligations; various moratoria were declared, chiefly for the benefit of the farmers; and serious attempts were made to bring the Commonwealth and the State budgets into balance. A 10 per cent super-tax was also imposed on income from property, to equalize the burden of sacrifices. These were all "deflationary" steps. Finally, however, the budgets actually continued to show substantial deficits, and these deficits were met chiefly by short term borrowing from Australian institutions—that is, by expanding bank credit; but this has been done to date without incurring the dangers of inflation.

The general purpose of these various measures was to spread the loss in national income entailed by the depression, initially concentrated on exporters and equity holders, over the generality of the population; and thereby to restore that rough balance among the several groups of producers without which recovery, or even the definite checking of any severe recession, is impossible. Broadly speaking, this purpose was achieved. The downward movement of the Australian economy was arrested; since the end of 1931 a slow but definite recovery has been steadily under way; and a general situation has been maintained which is flexible rather than rigid.

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There is evidently much in this experience which American statesmen and economists can profitably study. Australia's "Premiers' Plan" has already worked substantially better than our own New Deal gives present promise of doing; and the explanation is not to be sought solely in the differences of economic and institutional structure between the two countries. Two or three quotations (p. 176) are in point (italics mine). "Apart from excesses in tariff policy (i. e., *raising* tariffs to combat depression), which we now struggle to correct, the economic policy we pursued in the crisis was designed *to encourage private enterprise.* New measures of control were confined largely to management of the currency to give private industry *a monetary unit reasonably stable in purchasing power.*" Again, in speaking of the growing movement toward government regulation and control in certain other countries, Professor Copland, perhaps with a certain permissible feeling of superiority, remarks that they "now warmly embrace economic doctrines which Australia after thirty years' experience has found in some respects unsatisfactory." "The gospel of widespread state ownership and regulation, or more correctly interference, . . . seems in the light of Australian experience open to challenge" (p. 177 n.). The bearing of these observations on present American policies requires no elaboration.

JAMES W. ANGELL

War Memoirs of David Lloyd George. Volumes III and IV. Boston, Little, Brown and Company, 1934.—x, 597, 603 pp. $4.00 each.

The third volume of Lloyd George's memoirs, dealing with the early months of his own premiership, is very much like the first two volumes in that it sheds almost no new light on diplomatic questions, a considerable amount on British internal politics, a greater amount on military history and a dazzling flood on the author himself! As before, he continues his vendetta against the military and naval chiefs for their slowness to learn new lessons from the enemy and their obstinate adherence to a "decision on the Western front". "Just like the British public with Kitchener, the French public . . . retained their belief in Joffre long after those who transacted business with him had ceased to have any faith in his competence . . . the mistake of thinking that the seat of intelligence is in the chin. Great generals, dictators and bruisers always have that grim feature" (p. 370). "When the craving is on him the planomaniac is

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blind. General Nivelle in December was a cool and competent planner. By April he had become a crazy plunger" (p. 411). "With the phlegmatic Briton slowness of mind is apt to be taken as an indication of soundness of judgment" (p. 97).

In these phrases and a hundred like them, Lloyd George is not only criticizing others but defending himself; or, better said, the qualities that he admires in others and also in himself—alertness, adaptability, quicksilver intelligence, dash, audacity, imagination. He defends his employment of such brilliant but erratic men as Winston Churchill and Lord Northcliffe on the ground that genius, even if closely allied to madness, is needed in a great emergency. He deplores, and surely very justly, the petty jealousies among the Allied nations which made it impossible to coördinate their plans; he is particularly severe on the French failure to support any scheme for an Italian offensive against Austria. While Lloyd George is himself anything but tactful in his comments on England's allies, it is due to him to say that his impatience is not with a nation but with a type, that the narrowly nationalist diplomats and officers whom he scolds in France he treats with even more severity in Britain. For the "old Parliamentary hands" he has no respect; stating bluntly enough that if his own hands had been free he would have made up his war ministry not out of party leaders but "partly from the ranks of the back benchers" and partly from men outside of Parliament who in their own pursuits had shown faculties of energy, foresight, imagination, judgment and courage" (pp. 3-4). "On being asked if the proposed new Cabinet of four members would mean that we should have four dictators, I said: What is a Government for except to dictate? If it does not dictate it is not a Government, and whether it is four or twenty-three, the only difference is that four would take less time than twenty-three" (p. 20).

Americans will be interested in the chapter on our entrance into the war; and perhaps not pleased. Too easily he assumes that the United States had a moral duty to enter the war and "that issues so clear now to President Wilson ought to have been apparent earlier to his eyes" (p. 539). He blames Wilson for "inexplicable delay which occurred in preparing American troops for the battle line and throwing them into the fight" (p. 563) and ascribes it to Wilson's hope that Germany would make an early surrender before large American sacrifices were necessary. He demonstrates once more what Colonel House has already proved that Wilson had been fully informed of the secret treaties by Balfour (pp. 549-50). On the

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whole he speaks of Wilson with kindly condescension as a well-meaning though irresolute idealist, but he seems more at home with House and more enthusiastic for Theodore Roosevelt. There is a very good study of the breakdown of the Russian Tsardom and a confirmation of the report that the British government would at any time have given the deposed Tsar a safe refuge in England if the Russian revolutionary government had consented.

The fourth volume opens with the meeting of the Imperial War Cabinet and several lively but usually generous thumb-nail sketches of the Dominion premiers. Lloyd George castigates once more the British military authorities for the failure to take vigorous action against Turkey—"The real citadel of the Ottoman Empire was neither at Achi Baba, Baghdad nor Jerusalem—but in Whitehall. For three years this redoubtable garrison of the effete beat off every attack made on the attenuated armies of the Turk" (p. 68). He deplores also the failure to send adequate aid to Italy to prevent the Caporetto disaster and the wasting upon the offensive in Flanders of the man-power of Great Britain. His retort to those critics who have charged him as a civilian with undue interference with armies in the field is the bold assertion that he did not interfere enough; that the convoy system at sea and adequate munitionment by land were his ideas, imposed upon reluctant officers, and that he now reproached himself with not having overridden Haig and Robertson and forbidden the Passchendaele offensive of 1917. As for Haig, "I never met any man in a high position who seemed to me so utterly devoid of imagination" (p. 448), and as for Robertson, whom Asquith eulogized as the greatest living strategist, "It was a ridiculous appreciation, but as neither of them had strategical minds, the giver and the recipient of the compliment were equally well fitted for their part in the tribute"! (p. 450).

A good deal of the volume is taken up with extended accounts of peace proposals and negotiations during the war-weary year of 1917. He shows that nothing could have been hoped from Germany, for while the Reichstag was voting its resolution for a peace without annexations, the military staff which really ruled Germany was discussing just what territories to the east and west Germany should annex. He also defends the refusal of the British government to authorize labor participation at the Stockholm conference. On the other hand he believes that more use should have been made of the Austrian Emperor's peace negotiations, and that it was chiefly the mutual jealousy of France and Italy that kept these negotiations from bearing fruit.

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The whole reading public awaits with eagerness the rest of Lloyd George's memoirs. If at times the reader slams the book on the floor, disgusted at the author's cocksureness and vanity, he is certain to pick it up again to enjoy once more the liveliness of the narrative, the interest of the subject and the unfailing wit and cleverness of the style.

PRESTON SLOSSON

UNIVERSITY OF MICHIGAN

Reaction and Revolution 1814-1832. By FREDERICK B. ARTZ. Volume XIV of *The Rise of Modern Europe.* Edited by WILLIAM L. LANGER. New York and London, Harper & Brothers, 1934.—xiii, 317 pp. $3.75.

Within the restricted compass of two hundred and ninety-two pages this book attempts a summary of European history during two important decades. Professor Artz's volume is a part of a series "designed primarily to give the general reader and student a reliable survey of European history" and to "emphasize the dominant factors and to set forth their interrelationships."

Dividing his volume into nine chapters, Mr. Artz has conscientiously and successfully striven to include not only political but cultural, social, intellectual and economic history as well. Thus only four chapters might be described as exclusively political, while a good part of the rest of the book is devoted to a wider range of topics. The author has also included the periphery of European history, usually neglected in such surveys, although the inclusion is quite superficial, the principal interest lying in the history of Western and Central Europe. This very expansion of interests and comprehension of material have made it impossible for the author to carry out the aims of the editor. The amount of factual stuff compressed into a rather neat frame is truly amazing; but quantity has been achieved at the expense of any emphasis on "dominant factors" or their "interrelationships". The general reader is only too apt to be discouraged and dismayed, the student confused by this recent example of what the late V. L. Parrington described as "sprawling lists of names arranged in a fashion that gives little save conventionalized data and some dubious, if any, evaluations".

Although Mr. Artz could be congratulated upon the encyclopedic quality of his volume he cannot but be adversely criticized for the slipshod character of his method. The universally accepted canons of scholarly procedure, even those employed in the writing of texts,

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have been repeatedly disregarded. A rigid respect for the accomplishments of other scholars is often strikingly absent in the work of Mr. Artz. Drawing upon the researches and syntheses of colleagues only naturally, he has, however, too often permitted quotation marks and other indications of indebtedness to slip from his pages. Much of the book is patently based upon Professor George Weill's *L'éveil des nationalités et le mouvement libéral 1815-1848*. Yet acknowledgment of Weill is made only when a specific detail is employed. For such large-scale paraphrasing as is found, for example, in chapter seven of Artz one must read chapters two and three of Book III of Weill before the degree of indebtedness can be seen. Sometimes paraphrasing makes way for straightforward, undisguised translation—without acknowledgment, of course. The following paragraph of Weill placed beside the corresponding one of Mr. Artz will testify to the excellence of the latter's translation.

Ainsi le premier défi jeté à la Sainte-Alliance par un État organisé vint du Nouveau Monde. Le message fut loué par les principaux journaux anglais et glorifié devant les Communs par Brougham; en France il obtint les éloges de Lafayette et des libéraux. Les gouvernments de la Sainte-Alliance en furent naturellement mécontents; mais aucun ne le prit assez au sérieux pour avoir l'idée de protester. Canning se déclara satisfait, non sans regretter que les États-Unis eussent refusé de concerter leur action avec la Grande-Bretagne (Weill, p. 73).

The first challenge to the European Alliance by an organized state came then from the New World. Monroe's message was praised by the leading English journals and lauded by Brougham in the House of Commons. In France, it called forth the praises of Lafayette and of some of the leading liberals. The governments of the continental states, however, were displeased, though none of them took it with sufficient seriousness to protest. Canning was disappointed that Monroe's action had not been taken jointly with England, but he was pleased . . . (Artz, p. 171).

Similar striking evidence of unadorned borrowing without benefit of acknowledgment could easily be produced, but space does not permit an extensive index of such "loans" nor does the reviewer pretend to have discovered all that the book might contain. But the interested reader will be convinced of Mr. Artz's practice if he will compare his description of Baader on page 54 with that to be found in the *Encyclopedia of the Social Sciences,* volume II, page 373; Artz's description of Novalis on page 58 with that in the *Encyclopedia,* volume XI, page 401; parts of the description of Bentham on page 84 of Artz with that in volume II, pages 518-519

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of the *Encyclopedia.* Some of the best phrases in Mr. Artz's book are also simply taken from others, such as that on page 95 beginning with "throughout the writings of Guizot and Royer-Collard . . .", which is taken from the article on the Doctrinaires in the *Encyclopedia of the Social Sciences,* volume V, page 187; or that excellent sentence and more on page 52 about Mme. de Kruedener, beginning "For three hours . . .", which was originally written by W. A. Phillips in the eleventh edition of the *Encyclopaedia Britannica,* volume XV, page 930. From Phillips' *Confederation of Europe* Mr. Artz has also borrowed material, although not to the same extent as from other works.

If Mr. Artz has paraphrased and "borrowed" without giving credit where credit is due it is not surprising that he is as negligent in the use of quotation marks as he is in their non-use. Checking ten quotations, taken at random, the reviewer found that eight (pp. 3, 21, 104, 118, 134, 168, 219, 291) had been altered, or rearranged without the usual ellipsis signs, or accredited to mistaken sources, as that of Herder on page 104, or grievously and specifically misused, as that on page 291, attributed to Metternich. Amusing, and embarrassing, instances of Mr. Artz's carelessness are not wanting. On page 219 he speaks of England's trade, and says that during the period of 1820 to 1830 "the import of wool increased from less than £10,000,000 to over £32,000,000." There is evidence that Mr. Artz took this quotation down by ear, for in his unacknowledged source, which is unmistakably Marriott's *England since Waterloo* (pp. 75-76), the similar page and paragraph might be found in which "the imports of foreign wool which amounted in 1820 to less than 10,000,000 lbs. [of wool] in 1830 exceeded 32,000,000". Again on page 115 Mr. Artz quotes from a book by Prokesch-Osten. Strangely enough, W. A. Phillips in his *Confederation of Europe* (second edition, p. 114) has the identical citation, referring to Prokesch-Osten as the source. Phillips made a slight error when he accredited his quotation to Prokesch-Osten, although the title and page-number of his source were correct. The volume had been edited by Richard, Fuerst Metternich-Winneburg, with the aid of von Klinkowsturm. Phillips makes no mention of a publication date, but Artz gratuitously ascribes it to the year 1881. Actually it was first published in 1887. An unimportant slip in Phillips, it becomes significant in Artz as typical of the latter's work. The reader should be warned to treat Mr. Artz's citations with great care.

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The much neglected period of European history from 1814 to 1832 is definitely emerging from the comparative obscurity to which it has been hitherto relegated. It is unfortunate that the first comprehensive English survey since volume X of the *Cambridge Modern History* should be done in such a manner. To fill the long existent gap *Reaction and Revolution* serves as the best conspectus of the period in English but the need for a good book on the subject still remains.

FRANK J. MANHEIM

NEW YORK CITY

History of the State of New York. Edited by ALEXANDER C. FLICK. Volumes I-VI. New York, Columbia University Press, 1933 and 1934.

An age in which all eyes are fixed upon the national capitol where political power is rapidly being centralized seems unpropitious for the bringing out of a state history even though that state be the wealthiest and most populous in the Union. Nationalism dominates our intellectual climate. The historian, seeking meaning in the chaotic remains of human life in vanished decades, tries naturally to construct what may be called a biography of the nation. Sometimes, he writes a textbook survey of the national narrative. In his more scholarly moments he exploits special periods or topics but generally with the purpose of enriching the record of the nation. Very few scholars have chosen without artificial stimulus the task of recovering the history of a state. The reasons are obvious. The boundaries of a state are more or less artificial. It is a fragment not only of the national unit, reflecting in haphazard fashion the story of the nation, but of what F. J. Turner called a section. One hesitates to write the history of a fragment. The editor of the *History of the State of New York,* recognizing the difficulties inherent in his task, has, in spite of them, made a significant contribution to American historiography. Most of the essays which make up the volumes are written by professional members of the historical guild who are thoroughly familiar with the outlines of the national story. In working out the details of the local problems assigned to them they have generally selected or emphasized material which is useful in rounding out the larger narrative of the United States. The debates in the constitutional convention of 1821 are, for example, presented as the thinking not so much of a locality as of an era.

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The pages which discuss early nineteenth-century reforms constantly suggest the wider trends of which the New York state activities were a part. The chapters on the Revolutionary War throw fresh light on that confused conflict. The six volumes under review carry a generous burden of new wealth mined from the historical resources of an old and important state and for the most part refined with adequate scholarship.

Paradoxically in the series of essays dealing with canals, railroads, highways, land speculation, political parties, and many other subjects it is difficult to discover that entity which is or was the state of New York. Thomas Jefferson was acutely aware of the individuality of the several states and founded his political thinking on the safeguarding and strengthening of state autonomy. Josiah Royce, a century later, asserted the importance, particularly in America, of what he called loyalty to the province such as that of Lee to Virginia and maintained that national patriotism is but a superstructure reared upon these more basic local loyalties. To both men the state was a center of human affections as well as a political device. Did their faith conform to reality? Since the winning of political independence has there been a change in the ability of a state to command the emotions of its people? The questions are not idle queries. Our nation is a federated republic of states and definite drifts in state development are of national importance. The state history, as Royce demonstrated, is the appropriate place for the discussion of the question, what has been and is an American state. Unfortunately the present work makes small contribution to an understanding of the group problems and the factors making for and against cohesion in that ever-changing aggregation of persons who have been and are the ultimate reality of the state of New York. The coöperative character of the *History* makes it inevitable that it should do little more than dissect the dead carcass of the state. Some day the historian must turn his attention to the question raised by Jefferson and Royce; it is his particular task.

The present series opens with a brief sketch of the geologic history of the area within the present state boundaries. Such an introduction brings an understanding of the natural setting of the human story which can be obtained in no other way. Certainly the lifting up of the Adirondacks is an event of major importance in the history of New York. The method could be imitated with profit in presenting the larger national story. The story of human life in the region begins with a description of that archaic Algonkian culture

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which existed some thousands of years ago and from thence carries on through the rise and decline of Indian civilization. The author of these particular chapters is appropriately an archeologist and anthropologist but the knowledge he gleans from buried village sites is as truly a part of American history as that which comes from documents.

The series is well planned, well illustrated, and beautifully bound. The editor is to be congratulated on the high quality of the volumes under review. He has put both the historical guild and the people of the state in his debt.

RALPH H. GABRIEL

YALE UNIVERSITY

A History of American Foreign Policy. By JOHN HOLLADAY LATANÉ. Revised and enlarged by David W. Wainhouse. Garden City, Doubleday, Doran and Company, 1934.—xvi, 862 pp. $4.00.

It is a sign of the rapid changes of our times that Professor Latané's useful and readable book, which was first published only eight years ago, has been enlarged by practically a sixth in order to be brought up to date. In the work of revision, or rather of extension, Mr. Wainhouse has added half a dozen new chapters and has supplied new material for several of the earlier chapters. The new edition has also been enriched by the inclusion for the first time of a number of useful maps. The new chapters deal with such important topics as the Pact of Paris, the United States and the World Court, war debts and reparations, disarmament since the Washington Conference, recent Latin American relations, and the new conflict in the Far East.

The book covers developments in the international relations of the United States during the past one hundred and sixty years, and approximately one fourth of it deals with events since the World War. Some readers may feel that a disproportionate amount of space has been devoted to contemporary events. But for today's students of world affairs this emphasis on present developments and trends should give the book a special value. The earlier chapters of Professor Latané furnish the background for an understanding of Mr. Wainhouse's more detailed treatment of later events. Because of their greater attention to matters of detail the new chapters by Mr. Wainhouse do not carry on the sweeping narrative which one

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finds in Professor Latané's chapters. Unavoidably, the new material makes slower reading, but the enlarged edition will be welcomed by all who desire to have a comprehensive treatment of American foreign relations in a convenient manual.

The volume contains some errors of detail and some omissions of relevant matter, but these are not numerous. It may not be amiss to point out that on page 559 the discussion of American relations with Haiti is brought down no further than 1932. Although, over a year before the publication of the book, arrangements were made for the withdrawal of the American marines from Haiti in 1934, this fact is overlooked, and the reader is left to infer that they would not be withdrawn until 1936. On page 674 we are told that the president of Cuba, Carlos Hevia, "was overthrown by Charles Mendietta." What really happened was that Dr. *Carlos Mendieta* was drafted for the office by general consent of the numerous political factions and was in no sense a conspirator who overthrew his predecessor. Mr. Wainhouse seems to have had some difficulty in deciding what to call the Pact of Paris. He refers to it first by this title and then subsequently designates it variously as the Kellogg Pact, the Kellogg-Briand Pact, the Briand-Kellogg Pact and the Briand-Kellogg Peace Pact, leaving the reader to find out for himself that these are all one and the same pact. It would have been well if a few slips in the earlier chapters of Professor Latané had been eliminated in this new edition, as, for example, when a well-known Latin American statesman is twice referred to (pp. 495, 496) as *Signor* Drago. In a treatise which has so many excellent qualities the reviewer dislikes to pick flaws, and he hastens to add that they detract very little from the merit of the book.

WILLIAM O. SCROGGS

NEW YORK CITY

The Chinese: Their History and Culture. By KENNETH SCOTT LATOURETTE. New York, The Macmillian Co., 1934. 2 vols.—xiv, 506, 389 pp. $7.50. (Second edition in one volume, 1935. $5.00.)

During the half century that has elapsed since S. Wells Williams issued the last revision of his famous work *The Middle Kingdom*—long our chief source for a knowledge of things Chinese—much critical scholarship has resulted in an imposing array of monographs on aspects of Chinese history and culture. It remained for some

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competent scholar to present a comprehensive work embodying the results of this specialized scholarship, and this is what Professor Latourette has undertaken. His bibliographies include all the important works up to the time of publication.

Until we reflect that critical scholarship and archaeological research have raised far more questions than they have settled regarding the origins and earlier ages of Chinese history, we may be disappointed at the extreme caution of statement regarding these remote centuries. Again, in the China of today with its rapid changes, we must be content with much reserve in forecasting the future. One exception on the economic side is a prophecy of starvation for the race unless some form of birth control is resorted to, implying fundamental changes in religious and social ideals (p. 24).

Chinese history for the author reaches firm ground only when, under the Ch'in and Han dynasties (B. C. 221-A.D. 220), the unity of the country was cemented by a strong imperial government and the chief political organizations were outlined. One of the more striking features of the work is the author's careful analysis of the development of a highly ethical political philosophy from materials derived from different schools of thought, and the marriage of this philosophy to practical statecraft in the system known as Confucianism. He makes it very clear that the disunion and confusion of feudalism during the later centuries of the Chou dynasty had produced a remarkable flexibility in Chinese thought, and that four leading schools of philosophy arose: Taoists, Confucianists, Mohists and Legalists. Each of these groups, otherwise far apart in their tenets, agreed in the tendency to emphasize social and political questions. A synthesis of their leading ideas produced what we know as Confucianism. This composite Confucianism, woven into the political system, effectively secured a remarkable unity of spirit which thereafter persisted throughout Chinese history even in the periods of civil war and chaos.

But the author goes on to show that this conservative and rigid Confucianism was again modified as a result of the disorders and short-lived dynasties between the Han and Sui (A. D. 220-589). Then a loosening of "the political, social and intellectual structure that had been developed under the Ch'in and the Han permitted a flexibility in mind and culture which had not been known since the later years of the Chou" (p. 163). Incursions of barbarian tribes had hastened the process. Consequently, when the T'ang dynasty (A. D. 618-907), made extensive conquests to the west and foreign

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influences came pouring in, the Chinese mind was hospitable to new ideas. It was at this time that Buddhism, which had come in earlier, made great progress and added its contributions to philosophy, literature and art, as well as to religion.

Enriched by many of these fresh ideas, the final crystallization of the Confucian system took place during the Sung dynasty (A. D. 960-1269). Since then for almost a millennium this conservative ethico-political philosophy has furnished the background for statecraft and has furnished the material for the civil service examinations through which the officials were selected.

Thus it becomes evident that the Chinese institutions and systems of thought have not been static, but have grown by much interchange of ideas and by additions from without. But after the Sung dynasty few if any changes came into the system.

Students of political economy will take particular interest in the account of the efforts of Wang An-shi, about the time of the Norman Conquest, to introduce a "New Deal" into both the political and the economic set-up. His attempts to secure a form of state socialism for the benefit of the masses will appeal to students of our own present-day efforts.

Contrary to the practice of most writers, Professor Latrourette so apportions his space as to condense the story of the last century into less than a third of his first volume, and here foreign relations are subordinated to the changes that have taken place within China itself.

If the first volume is of absorbing interest to the student of historical movements and institutions, the second appeals rather to those who seek to understand what the culture was yesterday and what the chief changes are which are transforming the nation into a modern state. In outline we are introduced to such topics as government, economic life, religion, the social organization, art, language, literature and education. Enough is brought before us to make clear what difficulties confront the Chinese reformers and revolutionists in transforming a civilization whose family and clan loyalties were the chief ties, into a modern nationalistic state.

An incidental sentence thrown into the discussion of the recognized classes of society challenges one's curiosity: "In ancient times the soldier and the scholar were ranked together under the same term" (vol. II, p. 206). Just where did the soldier lose his identity with the scholar and fall below the four honorable classes? And did the Japanese gain their famed *Bushido*, or code of the

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soldier-scholar, which still survives their recent feudal system to some degree, from China?

As to the changes going on in China today, the developments are carefully outlined, but the rapidity of these changes will probably make modifications necessary first in this part of the work. As a whole, these two volumes should easily meet the author's hope that they may fill the obvious need for a fresh comprehensive study of the development of Chinese civilization and do for us what *The Middle Kingdom* did for our grandfathers.

W. J. Hail

College of Wooster

Statut et règlement de la Cour permanente de Justice internationale—Eléments d'interprétation. Institut für ausländisches öffentliches Recht und Völkerrecht. Berlin, Carl Heymanns Verlag, 1934.—x, 498 pp. Rm. 27.00.

This volume is a product of the *Institut für ausländisches öffentliches Recht und Völkerrecht,* comparable to the notable series of the *Fontes Juris Gentium* but apart from it. In the *Fontes* appeared a volume which served as a guide and index to the substantive law in the judgments and opinions of the Permanent Court of International Justice. This volume serves a similar purpose with reference to the Court's procedure. The editors concluded that in this digest they could not profitably follow the scheme of producing only extracts from texts which is the basic plan of the *Fontes.* Hence this volume is published separately. The scheme of this volume is to set forth in bold type the text of the articles of the Court's Statute, *seriatim.* Under each article there are three sections; the first is labelled "*Précédents*"; the second "*Historique*"; and the third "*Interprétation par la Cour et pratique*". (It may be noted that except for a few quotations from documents in English the entire book is in French.) The "Precedents" include those materials relevant to the subject which antedate the Covenant of the League of Nations; the "History" details the proceedings of the Committee of Jurists of 1920 and the League bodies. All three sections are written in narrative style with sufficient quotations from the documents. Under "Practice" there are references not only to the Court's judgments and opinions but also to its Rules, to the proceedings of the Committee of Jurists of 1929, and to action taken by the Council and Assembly of the League.

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There is a preliminary section of eight pages entitled "*Genèse du Statut*" which includes the story of how the Court came to be created in accordance with Article 14 of the Covenant, the acceptance of the Statute, and the consideration of revision of the Statute from 1928 to 1930. Since the Statute contains no provision regarding Advisory Opinions, this important phase of the Court's work is covered in a separate concluding chapter.

Like the volumes in the series of the *Fontes,* this book is well organized. Its systematic scheme of treatment makes it a most facile tool. If one has in mind a particular article of the Statute, it is readily found in its numerical sequence. If one has in mind a particular topic, such as the intervention of interested parties, the appropriate article and the discussion of it may be located by turning to the analytical index. There is also an index to the articles of the Rules of the Court.

The actual discussions of the various points involved in a consideration of the different articles is not purely factual but contains considerable analysis and some criticism. The scheme of the work confines these observations more narrowly than would be suitable in an ordinary monograph yet they have great value, as would be anticipated from the fact that Count von Stauffenberg was largely responsible for the book's preparation before he became a member of the Court's Registry. This book is not and does not purport to be a "be all and an end all" but it is an extremely useful adjunct to the existing documentary and secondary data bearing upon the Court and its work.

PHILIP C. JESSUP

La Prépondérance espagnole (1559-1660). By HENRI HAUSER. Paris, Félix Alcan, 1933.—594 pp. 60 francs.

This work forms volume ten of the series, *Peuples et Civilisations,* planned to appear in twenty volumes under the direction of M. Louis Halphen and M. Philippe Sagnac. It covers the century from 1559 to 1660. These specific years were chosen to denote the limits of Spanish supremacy, because they mark the dates of two treaties—the former significant of Spanish success, the latter of Spanish decline. The theme of the book is the transformation of the world during this century. When it began Spain was in the ascendant. When it ended the hegemony of Europe had passed for the time being to France, with England as a potential leader in the future.

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With the hegemony of Spain is connected the Counter-Reformation and the struggles which that term connotes. Indeed the main changes during the century arise from and center around the so-called wars of religion. It is this conflict "between Rome on one side, Geneva and Wittenberg on the other, between the Escorial and the heretical countries", which forms, as far at least as Europe is concerned, the main thread of M. Hauser's narrative. Up to the middle of the century, M. Hauser reminds his readers, the people as well as the princes remained firmly attached to the principle of unity of faith. Then came the break with resulting conflicts and varying results in different countries. In Germany the settlement was according to the principle "*cujus regio, ejus religio*" while in France it was only on the basis of the opposite principle that Henry of Navarre was able to secure the throne. All this highly controversial material M. Hauser treats with the utmost objectivity.

But he deals not only with the political and religious history of the era but with the social and cultural history as well. The economic revolution, with its resulting impoverishment of the formerly dominating class and the rise of the bourgeoisie, is brought into the picture, as are also the literary and scientific trends. A special feature of the work is M. Hauser's insistence that the profound changes of the century were not merely European but world-wide and his inclusion therefore of chapters on political and cultural developments both in the Near and the Far East. The history of the countries of the Orient has too often been treated, he maintains, as a background for that of the West, as a matter "of markets for the mariners of Christianity, of new lands of spices, of strategic points disputed over by rival fleets." It is, on the contrary, a matter of far-reaching revolutions important in and for themselves.

The main stress of the work however, as far as Europe is concerned, is on the political and religious aspects of the era. In spite of occasionally obstructing the narrative with too much detail, the author always brings the reader back to the main theme—the great religious struggle. To take a single instance—the influence of the religious struggle on art—he shows the effect of the secularization of life on the secularization of art in the service of burgher and city, and at the same time the efforts of the Counter-Reformation to control art in the service of the church. Witness for instance the decree of the Council of Trent banishing from ecclesiastical edifices any image which tended to teach "an erroneous dogma or to suggest impurity". Witness also the use of art by the Counter-Reforma-

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tion as propaganda as seen in the Neapolitan fresco depicting the triumph of the Virgin over Luther and Calvin. However, in spite of the long and valiant struggle of the church to maintain its unity, it became more and more evident that "the garment without seam was torn irremediably".

The extent of the transformation during the century was recognized at least in some quarters—Campanella for instance, in writing of the changes of the epoch, spoke in terms which with slight change of wording might apply to the world today: "Our century", he declared, "has more history in its hundred years than the entire world in the preceding four thousand years; more books have been published in the last century than in the preceding five thousand years; it has profited by the recent inventions of printing and the compass."

Discriminating lists of reference for further reading are appended to each chapter and add greatly to the value of the work.

ELOISE ELLERY

VASSAR COLLEGE

The Great Offensive. By MAURICE HINDUS. New York, Harrison Smith and Robert Haas, 1933.—ix, 368 pp. $3.00.

Mr. Hindus is known to many as a keen observer and interpreter of the Soviet Union. His *Red Bread* and the justly acclaimed *Humanity Uprooted* revealed him as an able writer with an intimate knowledge of the background and scenes he surveys. In his latest book Mr. Hindus brings his Soviet observations up to date, by attempting to estimate the significance of Soviet Russia's newest stage of economic and social development brought about by the application of the first Five Year Plan.

The first part of his book, "For a New Economic Order", is a balance sheet of Soviet economic achievements, which, in the author's view, far outweigh the shortcomings. Broadly speaking, these achievements point to the unleashing of a creative initiative so strong and formidable that it refutes in practice the old bugaboo that only under capitalism can "initiative" flourish. The widely prevalent notion that the element of private profit is *the* energizing element in all economic enterprise fares no better. For despite the fact that "every desire for individual enterprise has become paralyzed and atrophied" due to the direct and indirect discouragement of the private profit motive, Soviet Russia has succeeded in laying the economic foundation for a new world.

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The Soviet wage-scale system, built, for the time being, upon the principles of differentiation between mental and menial labor and of the quality and quantity of work performed, results in a measure of economic inequality. It is also true that the Soviet economic system is not yet planned in the sense that all its component parts work harmoniously in the direction of a predetermined goal. But it is the author's contention that these and a great variety of other shortcomings and lingering vestiges of the old economic order are not, after all, the determining factors in shaping the course of Soviet economic development. The latter is molded by such basic facts as, for instance, the dictatorship of the proletariat, the nationalization of industry, control of credit, state-fixed prices and the monopoly of foreign trade. In the opinion of some people the application of these factors results in the most terrible of all ogres: in a so-called "regimented economy". But, whether "regimented" or not, the culmination of the system in the Five Year Plan has set in motion the successful Great Offensive for a new society.

The reviewer readily grants the author's main contention, namely, that under the plan Soviet Russia has made rapid economic strides forward. However, Mr. Hindus' method of interpreting the validity of the plan detracts much from the weight of his conclusions. His evaluation is neither a qualitative nor a quantitative one, but rather of a "symbolic" nature. As he views it, "the offensive [plan] in terms of statistical formulas is one thing, and is quite another as a symbol of a new age and a guide to a new destiny." He emphasizes throughout the significance of the latter at the expense of the former because "a statistical approach to this offensive [plan] tells so little of its importance for Russia and for the world." To the author the value of the plan is to be judged neither by a comparison of actual growth to planned growth, nor by estimating the cost of laying the ground work for the new economic order. The really significant thing is not *how* Soviet Russia is being industrialized, but the fact that she is being industrialized. Thus, "the failure to achieve scheduled production in heavy industry is . . . not nearly as telling as the fact that Russia has achieved a heavy industry". That the offensive is also an analytical presentation of new methods and processes of planning a country's entire economic and social life, is given little consideration by the author. And it is for this reason that in Mr. Hindus' interpretation the interested reader learns so little of the mainsprings of the Great Offensive.

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The second part of the book, "For a New Human Personality", is an elucidation of the profound sociological changes taking place in the Soviet Union. While in the field of economics the Great Offensive has known occasional setbacks, in the field of sociology "the offensive has swept on and on to new and ever-growing conquests." And so great, indeed, were the conquests that "in its task of reconstructing the human personality it [the Revolution] has achieved triumph after triumph. It has fashioned a new man with a wholly new outlook on the world and his own position in it." It is undoubtedly true that the impact of Soviet Russia's political and economic development has effected deep psychological changes. But much of Mr. Hindus' "all-or-nothing" attitude will not stand close scrutiny. The collectivized peasant, for instance, cannot be spoken of as a "reboiled" or "reforged" human being in the sense that "he is a new personage on this earth, with a body of new aims, attitudes and responses". As late as 1933 the Communists discovered that, although collectivized, the peasant still remained in all essentials a petty-bourgeois, thinking in terms of his own advantage. Nor do the mass of the Russian workers fall strictly within the definition of Mr. Hindus' New Man. Far from it — to judge only by the picture given by the author: "if they [the workers] hear that at a certain place there is more meat and sugar and tobacco than in the factory in which they are working, they pack up and move". Such a performance on the part of the worker who "has lost all fear of sex . . . money . . . family . . . has lost the old fear of insecurity"—is suggestive of a person who had not yet lost these fears, money, family and insecurity. Such ideal citizens as the author describes undoubtedly exist in Soviet Russia, but not yet in numbers sufficient to justify the author's contention that they include the mass of population.

Mr. Hindus' latest book is somewhat uneven and superficial. Despite its entertaining style, *The Great Offensive* makes but a meager contribution to our knowledge of "the nature and meaning of the new offensive for a new world". Those who wish to acquaint themselves with some of the fundamentals of Soviet development may more profitably turn their attention to Mr. Hindus' earlier work, *Humanity Uprooted,* which remains one of the few good books on Soviet Russia.

W. LADEJINSKY

WASHINGTON, D. C.

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BOOK NOTES

Any addition to the scarce information available on international industrial agreements will be welcomed by students of the subject and Alfred Plummer's new volume—*International Combines in Modern Industry* (New York, Pitman Publishing Corp., 1934; ix, 191 pp. $2.50) by Alfred Plummer—will be no exception. The first and final chapters are rather full of the "planning" vocabulary that current fashion seems to demand, but the wishful thinking hasn't affected the quality of the information contained in the substance of the book. The author sees the world as "oppressed by abundance" (p. 1) and apparently he thinks that the existing economic system is driven by "science and organization and power machinery in the service of production" (p. 164) to ruinous competition. He apparently rejects—without discussion in this volume—the explanation which most economists would advance that the abundance is a mirage due to the destruction of markets by trade barriers, and that the "ruinous competition" is itself merely an aspect of the general drift to monopoly of which his own subject should have been a perfect illustration. These questionable statements about the general setting of his problem do not destroy the value of the author's contribution, however. Information about international industrial combinations is scattered, incomplete, and frequently of a "gossipy" character in view of the meager records that are often supplied by the organizations themselves. Plummer has drawn a good deal of it together in this book with a careful indication and evaluation of sources. He has also appended a number of typical texts (steel, wheat, potash, electric lamps) which help to make the book a desirable reference volume for any library aspiring to cover international economic questions of this sort.—HARRY D. GIDEONSE, University of Chicago.

Under the heading *Weltwirtschaftsdämmerung* the institute for research in foreign economic relations at the Handels-Hochschule Leipzig, issues a folio edited by Professor Dr. Karl Haushofer, Munchen, and Professor Dr. Walther Vogel, Berlin, (Stuttgart, W. Kohlhammer, 1934; 144 pp.), in order to celebrate its centennial. The content consists of a dozen short essays loosely connected by their

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dealing with different aspects and features of the present situation in world economics; in addition a record is given of the activities of the institute and its publications. Most of the essays are somewhat of the character of occasional writing. Nevertheless the volume is quite interesting in so far as the attitude of almost all the contributions reflects strongly the perturbed state of mind and the thorough feeling of an unsettled and menacing situation which is so prominent over all the world now and particularly in Europe, and which is reflected more strongly in leading intellectual centers and among leading business men and statesmen, such as coöperated here, than in other strata of society. Undoubtedly the whole volume in this way expresses very clearly the mental behavior of leading classes in modern society in regard to the present world crisis. As particularly stimulating I might mention a short survey of the outlines of American commercial policy and the present problems America faces in this field and the social forces instrumental in the make-up of American foreign trade and foreign trade policy, by Professor William Notz, of Georgetown University, Washington. Another valuable contribution is that of Professor Dr. Boris Brutzkus, Berlin, about the development and character of the five-year plan. Dr. Brutzkus, who is among the outstanding research workers in Russian developments, gives mostly a condensation of his work in this field and his views and the figures and facts illustrating it are particularly interesting when compared with other recent publications on Russia, as for instance Mr. Chamberlin's book on *Russia's Iron Age* and Mequet's *Les Leçons du Plan Quinquennal* which is very similar in the general trend of thought though somewhat more sympathetic and optimistic as to the outcome of the Russian experiment. Furthermore, a short survey of the political and economic situation of the Far East, by Major General Dr. Karl Haushofer, is interesting and attractive except for its very involved and affected style. The contribution of the well-known German steel leader of the Saar, Dr. Hermann Röchling, giving his views on the economic connection of the Saar territory with the French social economic system before the plebiscite and in the future after the return of the Saar territory to the Reich, will be particularly interesting to those who want to get first-hand information about the Saar question. The value of the rest of the contributions is somewhat uneven. In some cases, and particularly with the article of the Austrian Under-Secretary of State, Bruno von Enderes, Wien, on the impact of the world crisis on the national railway systems, the topic and the way

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of dealing with it seem not to fit entirely into the general idea of the collection, as Dr. von Enderes gives more of a comparative study of the different national railway systems and their actual situation than a strictly international study.—HERBERT VON BECKERATH, Bowdoin College.

Robert Michel's *Umschichtungen in den herrschenden Klassen nach dem Kriege* (Berlin, W. Kohlhammer Verlag, 1934; vi, 133 pp. Rm. 6.80) is a study of what might be termed "the sociology of politics". Professor Michel of the University of Rome and Bologna propounds the thesis that throughout all history one may discover the existence of a clique, class, party or other form of an "élite" which holds in its hands the guidance of the affairs of the state. This group is not necessarily homogeneous and it is constantly renewed by the decadence physically and morally of the reigning group and its supersession inevitably by a new bureaucracy which arises out of the lower strata of society. Democracy as a form of government holds an advantage in this respect, in that it broadens the basis of origin of the new leadership which always exists in spite of its somewhat hidden nature even in the democracy. And the masses never really overthrow this clique; it is usually accomplished by another leader or leadership which uses the masses for this purpose. Even the enlightened aristocracy has not altogether tried to restrict the working of the so-called "law of the circulation of the élite", that is, the ever-present pressure upward of a new ruling set. Professor Michel further distinguishes three component elements in the modern political leadership, viz., an industrial or plutocratic set, an administrative set, and the intellectual or academic set. The latter he considers an indispensable asset to the plutocracy as demagogues, "who will work for almost any group but retain no sincere interest in any one group". Yet, since the bourgeoisie is completely bereft of ideas or distrusts them, it has found it necessary always to call upon the "intellectuals" for assistance in rule. The post-war situation in Europe, at least, is, however, characterized by a profound disrespect of the cultured classes; in fact, neither wealth nor breeding nor education is respected, only "strength and deeds". This is well illustrated in the bouleversements in Italy, Germany and Soviet Russia. In the last-named country a new class may be said to have successfully risen into rule, but in the Fascist lands the petit-bourgeoisie so far has retained a firmer control. The "non-intellectual" classes who now seize power must sooner or later become "intellectualized" themselves because it seems that culture

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is an indispensable attribute of rule always. But the process of the "circulation of the élite" in the post-war period has not yet, with the exception of Russia, run the full circle since it still represents a mixture of a rising ruling class interspersed with many remnants of the older ruling elements as above defined.—NATHAN MILLER, Carnegie Institute of Technology.

Proceedings of the Maryland Court of Appeals: 1695-1729, edited by Carroll T. Bond and Richard B. Morris (Washington, American Historical Association, 1933; li, 673 pp. $7.50), is the inaugural volume of a series to be published under the auspices of the Executive Council of the American Historical Association, on the Littleton-Griswold Fund, which was established in 1927 by Mrs. Frank T. Griswold of Radnor, Pennsylvania. The editor of the volume is the distinguished Chief Judge of the Court of Appeals of Maryland, who thus appears as the historian of the tribunal on which he has sat since 1924. The document here printed and published for the first time is a record of proceedings before the Governor and Council of Maryland, who, following occasional activities on their part from 1663 on as a court of final appeal, were in 1694 definitely erected into such a tribunal, shortly after the proprietary became a royal province. The original record consists of a folio of over 800 manuscript pages, "in fair condition and legible", and save for two or three rather minor mutilations, the most considerable one of which Judge Bond has been able to supply in part from other sources, is continuous for the period 1695 to 1729 (p. xxxv). What is more, "except for a desultory record of a few scattered cases", kept between 1749 and 1755, by the clerk of the period, it is the only separate record of final appellate proceedings in Colonial Maryland (p. xiii). "The docket", however, of the Court of Appeals is substantially continuous from 1695 to 1790, although the portion of it which covers the first twelve or fifteen years of this period was, Judge Bond thinks, extracted subsequently from the fuller record (p. xxxvi). The work of editorship seems to have been light, and, as was to be expected, has been performed most satisfactorily. A special word, however, must be added regarding Judge Bond's admirable introduction. Here data supported by the text are pieced together with information from many other sources (especially the Maryland *Archives*) into an essay of great interest for the social and legal historian. While this is no place to rehash Judge Bond's learning, one remark of his is so interesting for the history of American constitutional theory that I think it ought to be repeated.

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"Apparently," he writes, "it was conceived in the province that a legislative assembly, wherever set up, included among its normal functions that of reviewing judgments of courts of justice, and that the function was regularly exercised by an upper house."—EDWARD S. CORWIN, Princeton University.

In *A Statistical Study of Profits* (Philadelphia, University of Pennsylvania Press, 1934.—xvii, 322 pp. $3.00) Dr. Raymond T. Bowman has subjected the earnings ratios of a large number of concerns to statistical analysis in an attempt to measure the nature and extent of the profit phenomenon both as among the individual concerns composing single industries and among the various industries themselves. The materials analyzed are taken from the following sources: Federal Trade Commission Reports; data on utility earnings furnished the author by the Business Research Bureau of the University of Illinois; *A Source Book for the Study of Industrial Profits,* compiled by Ralph C. Epstein and issued by the U. S. Department of Commerce (Washington, 1932); and *The Shifting and Effects of the Federal Corporation Income Tax* (National Industrial Conference Board, volume I, New York, 1928). The method of study is well adapted to the problem. First, there are set up frequency distributions of the earnings ratios resulting from a year of business operations of a large number of concerns. The earnings ratio is taken as the ratio of net earnings to total investments as nearly as the reported data permit. The statistical characteristics of the frequency distributions are analyzed and their significance for the theory of profits described. The analysis is completed by an attempt to ascertain the temporal influence of economic forces by comparison of the position of the elements in as well as the general statistical characteristics of the frequency distributions for successive years. The study leads the author to the following general conclusions (pp. 243-244): "(1) Competitive factors prevail within the different industrial groups to such an extent as to make for a common representative average earnings ratio for all industries, and when this earnings ratio is analyzed and an estimate made of all relevant factors it does not seem to contain any large element of profits; (2) the disparity among earnings ratios for the different concerns in the several industries exhibits the effect of common causal elements making for uniformity in earning power, but this disparity is never eliminated because a succession of modifications in the total causal universe takes place in such a manner as to breed a new disparity; and (3) the most satisfactory explanation of these

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conditions appears to be that certain concerns gain a place outside of the immediate influence of competition through the control of demand or through the advantages of technical developments." The author concludes with the following comment (p. 244) " . . . as industry is now organized, the causal universe from which profits arise, while exhibiting central tendencies somewhat in line with the assumptions of the competitive economy, exhibits also causal factors which lead to a wide variety of earnings ratios." In addition to the fact that the book makes a definite methodological contribution to the empirical study of profits, it recommends itself for two reasons. First, it contains a condensed and well-written discussion of the theoretical elements involved in the profit concept as related to empirical investigations, and second, it makes the rather negative contribution of implicitly demonstrating that tedious and elaborate analyses of data of this nature to determine such things as Pearsonian curve types, quantitative measures of Kurtosis, etc. are neither warranted by the data themselves nor particularly subject to interpretation once ascertained.—HOWARD C. GRIEVES, Washington, D.C.

The Devaluation of the Pound, by J. L. K. Gifford (London, P. S. King and Son, Ltd., 1934; viii, 114 pp. 5s.), is one of the most carefully reasoned studies which has appeared on the general theory of international price equilibrium and on the economic effects of the depreciation of the pound sterling. In the opinion of the author, the depreciation of the pound postponed recovery and "let loose a chain of events which have proved to be a world disaster" (p. 4). Given the importance of England in international trade and financial relationships, it was inevitable that her example be followed elsewhere. Other currencies were depreciated externally in quick succession and where this was not done, dumping duties, tariff increases, exchange control and import quotas were imposed. Not least important was the deflation induced in the gold standard nations. It would have been better in September 1931, assuming England's inability to borrow further in France and the United States, had she inaugurated a control of the foreign exchanges plus internal deflation. In view of the policies actually followed by England, Professor Gifford recommends an immediate devaluation of the pound and return to gold, irrespective of monetary actions elsewhere. A return to gold would provide the proper basis for ensuing tariff revisions and so would promote greater freedom in international trade relationships.—BENJAMIN HAGGOTT BECKHART, Columbia University.

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Professor Hudson has brought up to date his already well established handbook of the Permanent Court of International Justice—*The World Court: 1921-1934* by Manley O. Hudson (Boston, World Peace Foundation, 1934; viii, 302 pp. $2.50). The fourth edition of this concise yet comprehensive summary of the Court's history and activity follows the general plan of previous editions and contains all the material of those editions with certain additions. The chronology of the history of the Court in the new edition has been brought up to January 1, 1934; summaries of judgments, orders and advisory opinions that have been given by the Court since 1931 are incorporated in the new book and are handled with the same clarity of analysis and of interpretation that characterized the earlier editions; and to the list of countries signing or ratifying the protocol and statute, the optional clause, the revised protocol of 1929, and the protocol for the adherence of the United States there are added the names of those who have signed or ratified, as the case may be, in the interval between October 1931 and January 1934. A new section summarizes the types of material published by the Court under the categories, series A-F, of its publications. To the documentary study of the proposed ratification by the United States of the protocol of the Permanent Court Professor Hudson is able to add two documents which have appeared since the third edition of his book: a letter of then Secretary of State Stimson to Senator Borah, as Chairman of the Senate Committee on Foreign Relations, dated March 22, 1932, clarifying the Root Protocol; and the report to the Senate by its Committee on Foreign Relations, dated June 1, 1932, recommending the ratification by the United States of that protocol. The volume thus brings up to date the complete documentary account of the official steps taken to effect the membership of the United States in the Court. Altogether it is a useful manual for the student and a valuable source of information on the Court for the general reader.—RUTH C. LAWSON, Bryn Mawr College.

Mr. J. B. Trend, who is professor of Spanish in Cambridge University, first acquainted English-speaking readers with the so-called *krausistas* in his *A Picture of Modern Spain* (London, 1921); to them he now devotes an entire volume, *The Origins of Modern Spain* (Cambridge, at the University Press; New York, The Macmillan Co., 1934; 220 pp. $2.50). The *krausistas* were the group of Spanish intellectuals who came under the influence of the philosophy of Karl Christian Friedrich Krause largely through the instruction of Julián Sanz del Río, who went abroad in 1843 to study the teach-

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ing of philosophy in foreign universities. But long ago they discovered that their version of *krausismo* was not a comprehensive philosophical system but rather a liberal and rationalistic approach to the problems of philosophy, religion, science and politics combined with a highly ethical outlook derived from Krause's organismic and religious conception of humanity. They played an important part in bringing about the revolution of 1868 and the republic of 1873 but with the restoration and its repression of freedom of teaching, some of them turned to education independent of state control as a means of reform preferable to political action and founded, in 1876, the *Institución Libre de Enseñanza,* which still exists and which has given rise to a number of largely autonomous advanced institutions. Hence by fostering free thought and the influx of the latest European ideas, by sending students abroad to study educational methods, by applying the principles of self-activity and direct observation, finally by emphasizing character formation, the *krausistas* achieved their most tangible results in the introduction of the modern spirit into Spanish education.

In this phase of their activities lies the author's major interest, but unfortunately he has not chosen to treat it systematically and concerning certain institutions and personalities the earlier book is more informative. The present work constitutes a collection of "intimate personal sketches of the reformers and educators of the generation of 1868": Sanz del Río; the founder of the Institución Libre, Francisco Giner de los Ríos, the leading figure of the school; his successor in educational work, Manuel Cossío; and three men whose major accomplishments were not in the field of educational organization, Joaquín Costa, great advocate of economic, political and educational reform; Nicolás Salmerón, philosopher and republican leader, who had been one of the heads of the first republic; and Gumersindo de Azcárate, republican leader, political scientist and president of the *Instituto de Reformas Sociales,* through which the *krausista* ideal of the social function of the state attained concrete application. A number of figures of the same orientation receive more incidental treatment while the opposing forces, the Bourbons and the church, are epitomized in a chapter on Isabella II. In his sketches the author devotes much attention to the leading ideas of his subjects and while he manages to bring out the leading educational and political principles, he scarcely touches upon economic thought, which in Costa's case is perhaps the key to the rest. But ideas and even concrete achievements he considers less important than the

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inspiring qualities of the men as teachers and as models of the civic virtues. (See especially the chapters on the first republic and on Salmerón.) In fact, to a considerable extent the work assumes the character of a loosely organized compilation of the pious memorials and the relatively meagre systematic studies prepared by friends and disciples of the "masters".

When Professor Trend traces the origins of modern Spain to a struggle between "philosophical radicals" and the "traditional obstacles" for the control of education, he overlooks the fact that educational and other reforms are not merely the cause but also the result of fundamental social and economic developments. The *krausistas* accomplished what they did primarily because they met certain needs of Spanish middle and working-class life and their victory is still far from complete. Nor should the adoption of some of their principles by their opponents be accorded too great importance, for the idea of study abroad, of which the author makes a great deal (chap. v) may also send a Gil Robles to Nuremberg to study Nazi methods. Moreover, the new Spain, as Mr. Trend is sometimes partly aware, is the product not only of the *krausistas,* but of the radical left, the right and the regionalists. The author also finds some difficulty in explaining the blessings which descend upon the more backward countries without taking into account the influence of the institutions of his own land; thus the democratic reaction which followed the Ferrer incident must be considered the result of the reform of the House of Lords! (p. 188). As regards the *krausistas,* however, he finally admits (p. 208) that "the echo of ideas which seem to be 'English' cannot be explained away as mere influence." It is also refreshing to see him chide his fellow countrymen for their uncharitable attitude toward the first republic (chap. ii). On the whole, however, although the book broadens the knowledge of the English-speaking public concerning one of the more important factors in modern Spanish history and brings it down to date, while supplementing at the same time a recent American study (Brandt, *Toward the New Spain*) by indicating how the nineteenth century republican ideals became effective, it is hardly more than a tenuous introduction to the various aspects of *krausismo.*—MAX LEVIN, New York City.

For a general treatment of the historic background of the disarmament problem a recent French publication, *Histoire du Désarmement* by Gunji Hosono (Paris, Librairie de la Cour d'Appel et de L'Ordre des Avocats, 1933; 253 pp.), will be found to be com-

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prehensive and well balanced. The book covers a wide field and deals with such subjects on the outskirts of disarmament as the limitation of fortifications, demilitarization, neutralization and the attempts to restrict the methods of warfare which were made at the Hague Conferences. In the field of disarmament proper, that is, the limitation or reduction of material and personnel, the author refers to some of the older proposals, such as those affecting the Great Lakes and the Black Sea and the plans of Alexander I and Napoleon III. He carries the story through the hectic attempts to limit Anglo-German naval competition just prior to the World War and deals with the work of the Paris Conference of 1919 and the Washington Conference of 1921-22. The book shows a thorough knowledge of American sources and, in fact, it is written largely from English and American materials. An admirable spirit of fairness is shown in the handling of the subject matter. The author makes no pretense, however, at dealing with present disarmament issues. He leaves the story at the end of the Washington Conference with a brief mention of some of the problems arising in connection with the Washington treaties. The London Conference, the work of the League of Nations, and the recent issues that have arisen with regard to naval competition in the Pacific are not touched.—BENJAMIN H. WILLIAMS, University of Pittsburgh.

In the book entitled *Krig eller Fred?* (*War or Peace?*) (Stockholm, Albert Bonniers Förlag, 1932; 244 pp. 5:50 kr.) by Orvar Wallengren the reader will very likely expect some evidence of how, in their rapid changes, the diplomatic fronts seem to be taking form in Europe and in the world at large, of precisely where or how great are the preparations in anticipation of war, or of just what there may be in the economic trends of this country, or that, or in the mind of this dictator or that, to indicate the prospects of war or peace. Questions of this kind will rarely find an answer here. Yet written in fluent style, incidentally without documentation, it is a readable book. The chapters, (1) Causes and Results of War, (2) Should and Can War Be Abolished?, (3) The Labor of Peace, (4) Summary and Prospects, (5) New Ways?, seem for the most part more judiciously told than highly original, the first containing, however, a concise and to the reviewer in the main convincing history of war from earliest records to the present time. Concerning the outbreak of the last great conflict, the responsibility is attributed mainly to Austria, Serbia and Russia (p. 81). As for the upshot of it all, "Europe lost, America won, while the peoples of Asia and Africa

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had their eyes opened to the possibility of independence and . . . find themselves now in process of transformation; they feel themselves stronger against Europe than before" (p. 90). The last chapter is a suggestion, with some formulation, of a concrete plan to be pursued by the sober and clear-seeing friends of peace who perceive that "neither the experiences of the World War, nor the changes in the method of government in a number of states, nor the public outlawry of war give any assurance whatever of a tolerably lasting peace" (p. 221). The natural pugnacity of man can be conquered only through a training of the individual will, and it is here that the problem must be attacked. Specifically it is proposed that the individual—on condition that the majority of the adult male population of his own country will agree to do likewise—"shall make an oath not to go to war against those nations or states of Europe, America, Australia and Africa in which the majority . . . have given the same oath" (p. 225). This oath would be given periodically to the rising generations on their coming of age. Thus might an anti-war psychology be worked up such as no government would venture to oppose. To bring it about would require the help of agencies such as international church bodies, peace societies and other instruments—especially the peace societies. The purpose of the project would be primarily to bring peace among the white peoples, the difficulties of coöperation with other races being at present almost insuperable. It is recognized, however, that even a limited application would presuppose certain changes in the *status quo* of territorial boundaries and of political and economic advantage, and it is not suggested that the "new ways" will be found easy ways.—WALTER SANDELIUS, University of Kansas.

The rôle played by opium in the relations between the Occident and the Orient is one of which Westerners should not be proud. In *British Opium Policy in China and India* (New Haven, Yale University Press, 1934; ix, 399 pp. $4.00), by David Edward Owen, we have a scholarly and objective account of the development of the opium trade, which embittered Anglo-Chinese relations as it grew to huge proportions. Admittedly opium might not have caused the trouble it did, but for the venality of Chinese local officials, which made it impossible for the Oriental Empire to enforce its prohibition laws. Without the Chinese willingness to buy opium, it would have been impossible for the British to engage in the trade. Nevertheless, the British deliberately stimulated the production of opium in India in order to crush the sale of the competitive product

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that was finding its way from the native states to China with the help of Portuguese traders. Later England pursued the same policy in an effort to eliminate competition from opium produced in China. Professor Owen's treatment of the first Anglo-Chinese War is admirably impartial. Many things entered into the causes of that war, including the superiority complex of the Chinese and the question of extraterritoriality. Nevertheless, opium was the immediate cause, but had the Chinese adopted different tactics in 1839, the British government would have found it more difficult to justify the war. The official British attitude, as enunciated by Sir Henry H. Pottinger, was that the Chinese people could not do without opium and their government could not prevent its importation. The trade might as well be legalized, therefore, to permit the Celestial Empire to realize a revenue from the traffic which it could not stop. China, however, rejected this suggestion until the financial drain caused by the Taiping Rebellion persuaded it to legalize the opium trade in 1858. In the last quarter of the nineteenth century, English public opinion reacted against the trade and this opposition grew stronger and stronger until, in 1891, the government at London was forced to appoint a commission to investigate the question. The commission, however, reported that Indian opium was not being forced upon China and that no change should be made in the traffic at that time. In 1906 China, in the throes of a nationalistic revival, reopened the question, and after a three-year trial, the opium trade was gradually abolished. As was to be expected, China found some difficulty in stopping the cultivation of the opium poppy within her own borders. Students of Far-Eastern history will welcome this excellent account of England's attitude toward the opium trade.—R. STANLEY MCCORDOCK, Lincoln Memorial University.

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